THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

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PROGRESS BEING MADE DESPITE TARIFF CHANGES

Budget Effects are More Sentimental Than Actual

THE FARM OUTLOOK

Less Wheat Being Sown, But Larger Acreage for Fodder Crops—Better Markets for Live Stock in Prospect

Amid the haze of uncertainty which exists pending the final vote on the budget at Ottawa, and also on the Snowden budget, Canadian business and industry are endeavoring to determine just what situation they will have to face under the proposed tariff changes; sentiment regarding European conditions reflects the enthusiasm which has been created for the Dawes' report. The old adage that "an old tax is no tax" applies very aptly to the present tariff situation. There is little possibility that any of our industries will be wiped out or even seriously handicapped—statements by leaders in the steel, motor and implement industries are less disquieting as the facts are faced—but the injury lies in the uncertainty which has already arisen out of tariff juggling.

Looking at the business situation throughout the country as a whole there seems to be little justification for the degree of pessimism which has existed in some sections during the past weeks. The country has been slow to recover, it is true, and has not enjoyed the degree of prosperity with which the United States has been favored. Now, however, while a decline is under way in the United States, and while conditions there will continue to be unstable as is normal during election years, Canadian conditions show a marginal improvement, and this is bound to widen just so soon as the tariff uncertainty subsides and public confidence is reestablished.

The trend of conditions in the United States should prove favorable to us. Rather than having a sudden and severe depression, our neighbors have safely passed the peak of expansion without any serious over-production, and a gradual contraction is under way. Wholesale commodity prices have been declining moderately since February, and have reached a low point for the year. The shock of sudden contraction which so often has reacted unfavorably upon Canadian business has thus been averted. The gradual improvement in European conditions, moreover, has made possible the encouraging expansion which has been taking place in our foreign trade. At the same time, domestic prices have shown a further decline and retail sales have begun to increase, particularly in the rural communities.

While considerable apprehension exists, as we have said, with regard to the probable effect of tariff charges upon certain industries, reports indicate that general lines are experiencing satisfactory conditions. Electrical equipment plants, for example, have been well supplied with orders owing to the extensive power development programs which are under way, particularly in Ontario and Quebec. Producers of most lines of men's clothing report the spring demand to be reasonably satisfactory, and automobile tire manufacturers are busy. On the other hand, the footwear trade, particularly in Quebec, report business unsettled, and the outlook extremely uncertain, in view of the instability engendered by tariff manipulation. In the steel and iron trades, manufacturers report some large orders for railway equipment and structural steel. Otherwise these lines are fairly quiet; there is a decline in forwarding steel bookings.

It is possibly in the rural districts that the greatest degree of stability exists. Although weather conditions have been backward, especially in the West, the moisture supply is unusu-

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Canadian Conditions

Car Loadings—Year to date—			
	1923	1924	
	814,808	890,395	+ 9.3%
Building—Three Months—			
	1923	1924	
	$13,525,030	$17,500,823	+29.4%
Bank Clearings—Four Months—			
	1923	1924	
	$4,466,340,359	$4,716,278,718	+ 5.6%
Grain Movement—Shipped to date—			
	1922 crop	1923 crop	
	278,056,316 bu.	332,437,483	+19.6%
Savings Deposits—Chartered Banks—			
	1923	1924	
	$1,218,295,721	$1,192,589,899	— 2.1%
Current Loans—By Banks—			
	1923	1924	
	$1,058,236,482	$1,006,913,916	— 5.1%
Net Dominion Debt—			
	1923	1924	
	$2,430,202,552	$2,409,326,639	— 8.6%
Railway Earnings—Four Months—			
	1923	1924	
C.P.R.	$49,906,000	$53,502,000	+ 7.2%
C.N.R.	74,745,176	75,835,721	+ 1.4%
Balance of Trade—Twelve Months—			
	1923	1924	
Exp.	$945,295,837	$1,058,553,297	+11.9%
Imp.	802,579,244	893,335,491	+11.3%
Bal.	142,716,593	165,217,806	+15.7%

How U.S. Defeats Invisible Bounty

Manufacturers in the United States are not at the same disadvantage as those in Canada in regard to importations of European products which secure an "invisible bounty" because of valuations for duty purposes on the basis of depreciated currencies. Under the existing tariff the president of the United States is authorized to increase the duties on any commodity not on the free list, when advised to do so by the federal tariff commission.

In reply to an inquiry by THE FINANCIAL POST, the editor of the Dry Goods Economist expresses the opinion that "the regulations in force to-day, as in years past, are of a nature to prevent advantage being taken of depreciated currencies in the fixing of import duties."

HEADS OF BIG BANKS GETTING TOGETHER

Sir Joseph Flavelle Meets Officers of Big Montreal Banking Institutions

From Our Own Correspondent.

MONTREAL.—Sir Joseph Flavelle, the new chairman of the board of directors of the Canadian Bank of Commerce, was in Montreal this week and while here called upon the heads of the big banking institutions in this city.

His visit is regarded as significant for it has been felt that Sir Joseph's appointment to the position of chairman of the Commerce indicated a desire to bring about better public understanding of the functions and services rendered the country by the banks of Canada. The interpretation that is placed upon the meetings between the presiding heads of the big banks is that they have been discussing ways and means to completely restore the public confidence that has been affected unfavorably by banking incidents of the past few years; in other words, to recognize definitely rather than ignore this shaken confidence and to win it back by frankness and publicity.

ALLOWANCE MADE FOR LOAN LOSSES

Hon. F. M. Black Says $250,000 Will Meet Situation in Manitoba

While the opposition in the Manitoba Legislature has talked of a million dollars loss under the provincial rural credits scheme, Hon. F. M. Black, provincial treasurer, who has been in Montreal and Toronto this week, declares that there is no justification for this claim. He submits that the government is assured that ample provision is being made to take care of the situation on a basis of losses of $250,000 while friends of the scheme declare that the loss will be much smaller than this.

The provincial government, like the private loaning companies, will have losses, he says, because of conditions and there will be losses too because of unsound risks accepted. But the extent of these cannot be judged because much will depend upon the future. In addition to the security on which loans have been made the government looks to the local loan societies; what can eventually be obtained through these guarantees would be difficult to say. However, Mr. Black feels that the arrangement to provide $250,000 on an amortization basis will take care of the situation.

The loans amount to something over $2,500,000. New loans are being made on a conservative basis. Collections last year were affected by crop conditions, but even so were fairly satisfactory. Some properties have been sold where payments have not been made, but there has been no indiscriminate selling.

The present policy is to continue to make loans carefully in moderate volume. The interest rate has not been increased, it being the decision of the legislature that this would discourage the industry. Mr. Black states frankly that even apart from the losses adjusted, the scheme will not fully carry itself on the present rate of interest charged, but he submits that it was never intended that it should, the idea being to extend provincial aid to the agricultural industry through cheap money. This was the policy of the Norris government when the scheme was inaugurated.

Whalen Properties May Be Sold; Profits Are Low

From Our Own Correspondent.

MONTREAL. — Bondholders of Whalen Pulp and Paper mills are likely to take over the property. Recently their protective committee met in New York and local bondholders say that they came to this decision.

The receiver for the company says that profits during the next few months will not be sufficient to pay interest on the company's obligations. He has recommended sale of the property.

LITTLE TRADE IS BEING DONE WITH SOVIET RUSSIA

But Business Better With Re-organized Provinces

From Our Own Correspondent.

OTTAWA.—Russia is not entering very much into the calculation of trade officials here. During the last year Soviet Russia has bought much less from Canada than she did during the two preceding years. During the 11 months' ending February the value of exports of Canadian produce to Russia was $115,112; for the 11 months ending February, 1923, it was $344,770, and for the 11 months ending February, 1922, it was $1,243,556.

It is quite definitely known that the Russian trade commission now in Montreal has very little money for trade purposes. It is understood that negotiations have been under way for the purchase of 2,000 or 3,000 horses, but that is about all. The Russians' hopes of getting money depend on the results of the negotiations now being conducted with the British government, it being assumed that if these are successful a substantial loan to Russia will be made.

That Russia has very little with which to pay for purchases is also made quite clear from the trade returns, which show that for the 11 months ending February, imports from that country were valued at only $7,974.

In the meantime exports to new states formed out of old Russia continue to grow in a gratifying manner, as the following figures show: During the 11 months ending February exports to Finland were $1,533,816, as against $5,919 of the preceding period; to Lettonia they were $160,143, as against nil; to Lithuania they were $3,207,945 as against $2,614,820. In the case of Poland they were $1,651,370, as compared with $39,237 for the preceding period, while exports to Esthonia jumped from nil during the 11 months ending February, 1923, to $225,299 for the same 11 months of the last fiscal year. So trade is getting better with every portion of all Russia, but that now controlled by the Soviets.

Says Canada Has $40,000,000 Abroad

From Our Own Correspondent.

MONTREAL. — An estimate of Canada's foreign investments has been made by the Bankers' Trust of New York. Its study points out that "the only one of the British Dominions holding any substantial amount of foreign investments is the Dominion of Canada. In accordance with the accepted British policy of winning foreign trade by financing the buyer, at the close of 1923 Canadian banks were loaning to the residents of foreign countries in the neighborhood of $350,000,000. Direct foreign investments, other than bank loans, aggregated in 1921 over $40,000,000. Such investments at the present time are somewhat less than this amount."

Western Seeding is Satisfactory; Diversified Crops on Increase

Advices to THE FINANCIAL POST from Western Canada indicate that seeding is progressing under generally satisfactory conditions although the season is somewhat late. This is indicated by a survey by the Manitoba Free Press, as reported by E. Cora Hind. There has been wet weather, but it has not meant serious delay and it has resulted in increasing the moisture reserve. A late wire from E. Oliver of the Saskatchewan Department of Agriculture, says that seeding has been general for a week, with some delay through rain in the southwest and snow at Saskatoon and Regina; the condition of the fall rye is generally good and the labor situation generally satisfactory.

There will be probably some decrease in the acreage of wheat and increases in other crops. Saskatchewan reports a decline of 15 per cent. for wheat and 10 per cent. increase for flax. Alberta will have some increase in wheat following last year's big crop. There will be increased acreage for corn and other ensilage crops in all provinces. This indicates a very satisfactory change in conditions. It means that wheat farmers are being replaced by, or being transformed into, mixed farmers. There is increasing interest in the raising of live stock; breeding is being studied much more widely and the outlook for marketing cattle, sheep and hogs is more encouraging. Alberta is looking for brighter days for the sheep industry with better prices for both wool and mutton.

And not only are the farmers showing a disposition to improve production methods to meet market conditions, but they are doing so without going into debt unduly. The banks report that demands for funds this spring are moderate and that the farmers are not showing that disposition to gamble on big production which has been a failing in the past. Retail business is improving only moderately, but the underlying position is a great deal better.

Hon. F. M. Black, provincial treasurer of Manitoba, who was in Toronto this week sees in the recent developments in the West a change to a much healthier economic condition. He shares the condidence of Hon. John Bracken, premier of the province, and perhaps the greatest authority in the West, on scientific farming, that the future of the country lies in diversified crops and stock raising to get an all-year-round return on farm capital. It is in this direction that adjustments are tending. There will be further adjustments necessary, says Mr. Black—some of them drastic and involving losses for both governments and private financial institutions which have made loans—but there can be no doubting the economic future of the country if the present movement to a sounder basis of farming is continued.

May Day Demonstration Shows Strength of the Reds in C.B.

No Scarcity of Red Flags in Parade—Children's Choir Sings Communist Songs at Rally—Sunday Schools and Young Men's Classes Employed to Spread Propaganda

From Our Own Correspondent.

SYDNEY. — Striking confirmation of THE FINANCIAL POST's recent declaration that Red principles and activities are fast spreading among the workers of eastern Nova Scotia is given by the big May Day parade which took place at Glace Bay in the heart of the Cape Breton coalfields.

In spite of local efforts to minimize the effect of the demonstration it is quite apparent to observers that the determination of the "workers" in the Red cause is undiminished and their enthusiasm unabated in spite of the efforts which have been made to check their activities since last May 1.

A significant feature of the situation is that the recruits to the Red cause are being gained not from the foreign population of the district, but from the English-speaking element—largely the Canadian born. There is a sprinkling of foreigners in the movement, it is true, but not out of proportion to the total number of foreign workmen employed in the coalfield.

A year ago the first formal observance of May Day was held at Glace Bay. On that occasion Jim McLachlan and Dan Livingstone were still officers of the U. M. W. and the celebration was held more or less under the aegis of that organization. Mayor D. W. Morrison, M.P.P., presided and two other local members for the county, Foreman Waye and Joseph Steele, were among the speakers, the latter declaring that he risked expulsion from his church for appearing on a Socialist platform. On that occasion a huge red banner was carried at the head of the procession. It bore the hammer and sickle and the words "Workers of the World Unite" and "Long Live Communism." The Red Flag was chanted and the speeches were the most violent heard up to that time.

Two months later the big coal-strike occurred, the Communist officers of the U.M.W. were thrown out by Lewis, and were arrested on criminal charges by officers of the Crown. The strike failed and in the readjustment some of the worst radicals were eliminated from the district altogether. Of the men who carried the Red Flag on that occasion some are still under indictment for various offences, and McLachlan himself is out on ticket of leave. The red flag was found and seized by the provincial police and is now in the provincial archives at Halifax.

No Shortage of Red Flags

Under the circumstances those who never bother to look beneath the surface, were fatuously convinced that the May Day splurge would flivver this year—that the boys had had enough of it. Instead of that the 1924 celebration was just as virulent

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To Establish British-Canadian Service With British Columbia

A certain amount of disapproval has been expressed in British Columbia with regard to the attitude of the Federal government in insisting that products of Eastern Canada going to the coast province via New York and the Panama Canal must be carried in British bottoms in order to escape the payment of duties. It is felt that this is an unwarranted interference with the transaction of business, and that shippers should be allowed to forward their goods by the most convenient lines regardless of nationality. It is apparently the feeling of the customs department that the ruling will not unduly restrict the service available, but will tend to develop it. In fact, it is the expressed opinion of the minister that the service from Montreal, St. John, and Halifax, to Vancouver, can be a success, and that he is very anxious to give it a fair trial.

The question of coast to coast shipments is closely related to the development of British Columbia's trade. The linking up of the Pacific province with Eastern Canada by the completion of the first transcontinental railway in the early eighties had an interesting sequel in the establishment of direct steamship service between the Atlantic and Pacific port cities of Canada by way of the Panama Canal. The progress and unification of Canada has been retarded by prohibitive transportation costs over long stretches of relatively unsettled territory, and, according to recent indications, the solution is being found in the addition of new lines of transportation, combined with the adjustment of freight rates to favor the expansion of Canadian trade. Such a solution may be destined to have far-reaching effects in the development of certain sections of the country, notably the Pacific coast area. The rapid expansion of the Port of Vancouver, and its increasing importance as an outlet for the products of Western Canada, has been followed with interest by the enire country. This growth cannot but be still further promoted by the new lines of communication.

Since the establishment of a Canadian customs office in New York, both Canadian railways have signified their willingness to establish an equal rate covering the transportation of commodities from points in Ontario to St. John and Halifax, to that now existing between Ontario points and New York City. Manufacturers in the interior would thus be given a year-round service from Canadian ports on the Atlantic to those on the Pacific.

The success of a project such as has just been outlined means more to the development of the Pacific coast than can now be estimated. It means that the areas contiguous to both coasts have found new markets which are unhampered by tariff restrictions. Already a large volume of Western grain is shipped from the port of Vancouver. The quantity of wheat shipped by this route from September, 1923, to April, 1924, exceeded 36,500,000 bushels, and other Western products are being shipped more and more by this route. In addition the West is now able to obtain Eastern products at lower cost than formerly, and the net result is a mutual advantage to both.

The success of the voyage of the Kirkwood steamer, J. H. Plummer from Toronto and Hamilton to Vancouver is to be followed by the sailing of the Torhampton, a much larger vessel, to handle similar business.

Owing to continued unsatisfactory export conditions, the Brantford plant of the Canadian Packing Company will be closed temporarily, in so far as export packing operations are concerned.

HOPE FOR NEW PACT WITH AUSTRALIA

Announced Repeal of the McKenna Duties a Factor in Situation

From Our Own Correspondent.

OTTAWA.—Reports from Australia to the effect that the Commonwealth government will negotiate a trade treaty with Canada have raised hopes here that at last something worth while may come out of these negotiations. Canada has preserved a watchful, waiting attitude for some time, and apparently her patience is to be rewarded.

While details of the probable treaty are not forthcoming, the hopes of the paper manufacturers have been somewhat raised. The decrease in exports of newsprint to the Commonwealth has been a very serious thing for them, exports for the 11 months ending February having been, but $156,293, as compared with $2,150,368 for the preceding period. During February these exports were valued at only $2,246, as compared with $234,437 for the same month last year.

It is thought that the loss of the British market in some articles through the announced repeal of the McKenna duties has hastened the decision of the Australian government to make a trade treaty with Canada, for that country is up against the markets' problem quite as much as any other portion of the British Empire, and a great deal more so than this country.

PARLIAMENT IS LOOKING OUTSIDE FOR LEADERSHIP

Would do Something to Renew Confidence in the Banks

LOOK TO FLAVELLE

New Chairman of the Bank of Commerce Should Have Big Influence at Ottawa—Sifton Also Being Looked to

From Our Own Correspondent.

OTTAWA.—It is generally realized that both parliament and the public will be affected largely in its opinion on Home Bank matters by the decision given by Mr. Justice McKeown, this being true respecting the causes that brought about the bank's failure, and the liability of the government, to the depositors. It is readily conceded that the average member of parliament is not as competent to sift evidence as is a person of Mr. Justice McKeown's experience; and there is confidence in the latter that he will give a just verdict.

Parliament is eager to do something that will renew confidence in the banking system, which undeniably has been impaired, but it lacks constructive leadership in banking. Any changes of a really constructive nature put forward must come from without the walls of parliament. The appointment of Sir Joseph Flavelle to a position of influence in the shaping of policy in the Bank of Commerce is received here with favor; his ability generally is highly regarded. It is also generally understood that Sir Clifford Sifton will have considerable influence with the government in the shaping of banking policy.

Those in close touch with the situation admit that the time is opportune for the rendering of a distinct public service in banking, for some of the old-time leaders in the Canadian Bankers Association, have gone. But the leadership must come from without parliament. It is considered fortunate that Hon. J. A. Robb, acting minister of finance, is very receptive to new proposals when made by men whose character and recognized ability entitle them to receive consideration. In the light of the events of the past year or two it is now generally admitted that if some people had not been "so sot in their ways" about banking the public would have been saved much money and confidence generally would have remained unimpaired.

The Noble Big Farm Project a Failure

From Our Own Correspondent.

LETHBRIDGE.—C. S. Noble, Canada's largest farmer, founder of the Noble Foundation, Ltd., recently received a full and clear discharge in bankruptcy by Mr. Justice Tweedie of the Supreme Court. The Noble Foundation, Ltd., failed after a determined effort to farm 30,000 acres. It failed because it has been demonstrated again and again that the big farm with the big overhead cannot be made to pay. Mr. Noble, who is known throughout America as a wheat baron, is now farming 800 acres of land near Nobleford, the little prairie town he founded.

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UNION BANK OF CANADA

Dividend No. 149

NOTICE is hereby given that a dividend at the rate of 8 per cent. per annum upon the Paid-Up-Capital Stock of the Union Bank of Canada, has been declared for the current quarter, and that the same will be payable at its Banking House in the City of Winnipeg, and also at its branches, on and after Monday, the Second day of June, 1924, to shareholders of record at the close of business on the 17th day of May next.

The Transfer Books will be closed from the 19th to the 31st day of May, both days inclusive.

By order of the Board.

J. W. HAMILTON,
General Manager.
Winnipeg, April 15th, 1924.

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Levy on Union Miners To Pay Off Merchants

From Our Own Correspondent.

SYDNEY.—Something like a revolt has broken out among the miners of District 26, U. M. W., over the recently announced intention of the provisional executive to collect a special levy of 50 cents per man per week to pay off debts, amounting to $84,000, incurred in relief work for men idle during the suspension of work last January.

The kick comes mainly from unmarried miners who did not receive "relief orders." In the long run it is believed the levy will be submitted to because the men must pay off the local merchants who supported them during the strike, or ruin the credit of the district and tie their own hands in any future disputes with the operators.

ALBERTA'S MILK PRODUCTION

EDMONTON.—Alberta's average production of milk is well over that of the whole Dominion, according to a summary of cow testing work, carried out by the cold storage branch of the Dominion Department of Agriculture. The average production for eight months or longer for the Dominion was 5,926 pounds, but Alberta's figure rose to 7,136.

EUROPE IS BUYING MORE OF CANADA'S PRODUCTS TO-DAY

Trade Figures Reveal Better Sales to the Continent

JAPAN IS BUYING

Excellent Canadian Trade in The Orient Last Year—Our Chief Sales and Purchases

From Our Own Correspondent.

MONTREAL.—Canada trades with most of the countries of the world and does a sizeable business with most of them. Nevertheless, our trade with Great Britain and the United States is so overwhelming that commerce with other nations seems insignificant by comparison. Of our total imports, for example, which amounted in the twelve months to March 31, 1924, to $893,000,000, or more than $601,000,000 or more than two-thirds came from the United States and $153,000,000 from the United Kingdom, the total proportion from both countries being about 85 per cent. This leaves only about one-seventh of our total imports to be divided among all the other countries on the face of the globe.

Similarly with our exports. We sold $1,045,000,000 of goods abroad in 1923-1924. Of these we sold $431,000,000 to the United States and $360,000,000 to the United Kingdom, or between the two countries nearly 80 per cent. of our total exports.

Next to the U. S. A. and the U. K., Japan was Canada's best customer in 1923-1924, taking roughly $27,000,000 of goods, largely representing manufactured goods but including also a good deal of wheat and lumber. Japan was naturally an abnormal purchaser of foreign goods in the last twelve months, and it was not surprising that Canada's exports to that country should almost double.

Next to Japan, Australia ranked as an important buyer of Canadian products, taking $20,000,000 of goods, of which later records will probably show about 99 per cent. to have been the products of Canadian factories—automobiles, electrical goods, paper, etc. From Australia we bought only $1,000,000 of goods.

An interesting feature of the year's trade return is the evidence provided of Europe's growing interest in Canada's products. The figures indicate how greatly Canada stands to benefit from any further stability of conditions in Europe than can be arranged. To Germany Canada sold $16,000,000 of goods, nearly twice the 1923 figures and four times the 1922 sales. To Italy we sold $18,500,000 of goods, a 50 per cent. increase over the previous year's figures. To Belgium we sold $17,500,000 of products, also a 50 per cent. increase. France bought $19,000,000 of Canada's products, showing healthy increases. Probably the largest part of the increase has come in cereals and products of the flour mills.

The chief exports of Canada in 1923-1924 were as follows, comparative 1922-1923 figures being given as well:

Canada's Chief Exports

	1923	1924
Wheat	$252,145,805	$267,758,559
Paper	79,667,826	88,711,451
Lumber	64,020,422	76,043,496
Wheat flour ..	60,075,426	62,783,118
Pulp	42,976,948	46,173,196
Autos, etc. ...	29,725,341	38,033,406
Fish	27,502,468	30,455,682
Cheese	20,828,234	23,426,282
Meats	28,244,664	22,504,357
Gold	5,449,469	17,384,090

The chief imports were as follows:

Canada's Chief Imports

Coal	$72,184,487	$94,024,927
Cottons	68,720,272	66,428,299
Sugar	39,611,856	52,807,551
Roll'g mill prod.	36,573,581	49,215,218
Wool	45,734,381	47,318,368
Petroleum	35,668,206	31,533,185
Autos, etc.	29,124,904	30,693,457
Machinery	24,068,579	28,268,927
Fruits	26,409,235	26,535,002
Chemical prod'ts	25,793,101	26,088,041

The record of Canadian trade for the 1923 and 1924 periods is as follows:

Imports For Consumption

Main groups	12 mos. ended Mar. 1923	1924
Agri. prod. ...	$161,669,784	$186,468,685
Animal prod. .	46,736,774	45,026,734
Textiles	170,146,958	173,795,660
Wood & paper	35,845,544	40,976,833
Iron and prod.	138,724,455	173,473,503
Non-ferr. met.	37,492,604	43,432,617
Non-met. min.	139,989,012	155,899,393
Chemical prod.	25,793,101	26,088,041
Miscellaneous	46,181,012	48,174,025
Total imp. ..	$802,579,244	$893,335,491
Dutiable goods	537,258,782	591,142,607
Free goods ..	265,320,462	302,192,884
Duty collected	133,791,514	135,114,835

Exports (Canadian)

Agri. products	407,760,092	430,932,150
Animal prod. .	135,841,642	140,423,284
Textiles	7,850,843	8,055,083
Wood & paper	228,756,205	273,354,778
Iron and prod.	51,137,912	66,975,571
Non-ferr. met.	44,358,037	65,911,171
Non-met. min.	27,646,704	26,776 330
Chemical prod.	14,046,940	15,349,956
Miscellaneous	14,053,068	17,362,733
Tot. exp., Can.	931,451,443	1,045,141,056
Foreign exp. .	13,844,394	13,412,241
Total exports .	945,295,837	1,058,553,297

ONTARIO'S CROP OUTLOOK

Wet weather this spring has delayed seeding in most sections of Ontario, and the season is now considered to be nearly two weeks later than usual. In a few favored localities some fields of oats have been got in and are showing up. The general opinion, however, is that despite the tardy start a full acreage of spring crops will yet be sown.

Fall wheat has come through the winter and the more trying spring weather in remarkably good condition, and the prospects are for a good yield of Ontario's favorite wheat crop.

Quiet Period in Wheat And Flour at Present

Wheat is holding up in price on the cash market remarkably well. Business, however, is very quiet. There is little selling pressure and little buying powers visible on the market these days. There is some liquidation going on by holders of May wheat, to take place during the next two weeks, and foreign buyers, being aware of this situation, are holding back to see what will be the effect of this liquidation. There is a more hopeful outlook in the political situation in France and Germany, and this is reflected in the exchange rate for money in France and Britain. If things should take on a more constructive attitude in Europe it would help the grain business in Canada.

In the meantime there appears to be a cautious policy being carried on by every branch of the grain trade. Although the United States markets have declined the Winnipeg market has not been so affected, and has stood up well against unfavorable conditions. It is apparent that the United States is getting down to a world's basis in spite of the recent advance in the tariff and will shortly be a serious competitor with Canadian wheat.

OUR FLOUR EXPORTS CLIMBING UP ON U.S.

Low Cost of Wheat Production and High Quality Factors in Canadian Success

From Our Own Correspondent.

MONTREAL. — Canadian millers have distinct advantages in export trade, and of the 20,000,000 barrels of flour produced annually in this country about 12,000,000 is for export. This figure comes very close to United States flour exports of around 16,000,000 barrels a year, and is a very creditable record when it is considered that the Canadian mills have a home market of only about 8,000,000 barrels of flour a year, while the United States miller has a home market capable of absorbing about 110,000,000 barrels a year. The miller to the south can add 10 or 15 per cent. to his production without greatly increasing overhead costs, and therefore produce flour for export at low costs.

The Canadian dominance is assured however, by the low cost of wheat production in this country, and the high quality of wheat produced. This is admitted by American millers, who buy large quantities of Canadian wheat to mix with the home grown product for use in their export flours.

Investors in Canadian milling securities will be interested in an official view of the competition Canadian flour gives the American mills, contained in a United States government trade bulletin, just issued.

"There is probably no industry that has such severe competition at present as has the American export miller. The rapid development of wheat production in Canada with its small population has produced an enormous selling pressure for Canadian wheat. As a result, during the past year Canadian wheat has consistently sold from 6 to 8 cents a bushel lower than United States wheat, thus giving the Canadian miller an advantage of 30 to 40 cents a barrel for his raw products. The recent act in putting a 42-cent tariff on wheat, which was based on difference in cost of production, would indicate that the Canadian miller has and probably will continue to have an enormous advantage in the cost of wheat for export milling, for a number of years.

"The growth of the Canadian flour export trade is apparent when comparing the 1920-1923 average shipments of 8,130,000 barrels annually with the 1909-1913 average of 3,832,000 barrels."

LESS PROTECTION AND LOWER PRICES

Massey-Harris Company Will Make Best of Situation in Public Interest

Despite the handicap to the farm implement industry of the further cuts in the tariff, the Massey-Harris Company sees certain compensations in the budget modifications of duties on materials, and has issued a statement expressing the hope of being able to pass on to the farmer the benefits of the reduction in sales tax. After outlining the material reductions in the protective duties the statement goes on:

"The new rates, now effective, represent a minimum of protection, and it is believed that apart from goods which are permitted to be imported free of duty, the customs rates now carried by farm implements are lower than those applicable to any other class of imported goods.

"The Canadian manufacturer of farm implements has been in a measure compensated for the loss of protection on the finished goods by modification of the customs tariff on the materials, etc., which he uses. Heretofore many material items carried a rate of duty greater than that which applied to the finished implement, and in this respect the industry was handicapped. The lowering of these duties, together with the further adjustments just made, have remedied these inconsistencies, and so far as the Massey-Harris Co. is concerned, we shall endeavor to adjust ourselves to the new conditions, and we will give to the Canadian farmer every possible advantage arising out of the changes made. We rely upon him to do everything within his power to stimulate Canadian industry by the purchase of Canadian-made machines.

"The provisions of the Budget which exempt farm implements from the sales tax are most welcome and these, combined with the lowering of customs duties on raw materials announced in the Government's amendments, now enable the manufacturer to make an immediate reduction in his prices. So far as the Massey-Harris Co. is concerned (and no doubt this applies to other implement companies) there will be passed on to the farmer in the way of reduced prices the complete saving effected in the reduction of the sales tax and the lessened duties on raw material."

BESCO OUTPUT CURTAILED BY THE NEW TARIFF

McLurg Says No Orders Received Since Budget

From Our Own Correspondent.

SYDNEY.—That the Cape Breton steel and coal industry has been hard hit by the Robb tariff changes was the statement made here by J. E. McLurg, vice-president of the British Empire Steel Corporation.

In the steel industry the company will probably have to "blow out" one of three blast furnaces within the next 30 days, thus cutting pig production by 500 tons per day.

In the coalfield, production will have to be cut to 251,000 tons in May, as against an output of approximately 378,000 in April.

"We have received no new orders since the budget was brought down," said Mr. McLurg, and went on to state that the inclusion in the free list of pig, bar and rod iron is held responsible for this. Implement manufacturers, for instance, whose orders were steadily increasing in volume up to the date of the budget, have bought no more steel, intimating either that the bottom has fallen out of their business or that they are buying cheaper steel somewhere else. Whichever it is, the Sydney steel trade suffers.

In the coal trade, the failure to afford more adequate protection for the Canadian fuel has resulted in the dumping of large quantities of Pennsylvania "distress coal" on the Montreal market. There Besco still has 90,000 tons unsold from the old bank. Another complicating factor is that the C.N.R. and other large consumers stocked up big last winter in anticipation of the usual April strike in American mines. The strike failed to materialize and these big customers now have enough fuel on hand to last until August 1. This is a situation the Cape Breton trade has not had to contend with since 1907. There are over 500,000 tons in the Cape Breton banks and this must be moved at the rate of 75,000 tons a month.

The company's brightest prospects are in the Wabana ore trade, where the European markets are absorbing a large proportion of the output.

Mr. McLurg was emphatic in his condemnation of the tariff changes, stating that they inevitably mean smaller production of both coal and steel in the east.

FURTHER CHANGES UNDER THE BUDGET

Additional Exemption and Sales Tax Free List is Extended

OTTAWA.—Sales tax already paid on manufactured implements of production still in the hands of manufacturers and dealers will be refunded. Hon. J. A. Robb, acting minister of finance tabled a number of additions to the budget resolutions, chiefly benefiting manufacturers of implements and of steel.

The resolutions provide for the reduction of the sales tax, in line with the original reductions, on implements fabricated before the budget was announced. This is to place the Canadian seller on an equal basis with United States dealers, who pay no sales tax in their own country.

Shovel handles and stems are placed on the free list. These, it is understood, are all imported from the United States. Rolled iron and steel, which goes into the manufacture of implements also is placed on the free list.

As a concession to the steel manufacturers, ingot molds, which now are taxed five, seven and a half, and ten per cent., are reduced to: British preference, free, five and seven and a half.

Concessions are also made on slag and similar material for blast furnaces and smelting operations. The duty on fire brick also is to be reduced.

CANADIAN WHEAT IN MEXICO

VANCOUVER.—A cargo of Canadian wheat has recently been forwarded from Vancouver to Mexico in an endeavor to establish a market there for the Canadian product. The Canadian Trade Commissioner in Mexico reports that Mexican millers were highly pleased with the quality of the wheat. He predicts that in the near future Canada will supply the millers of Mexico with practically all of the wheat used there to supplement the native crop.

TARIFF RULINGS

Canadian and Foreign Decisions of Interest to Exporters and Importers

Ottawa.—A further list of budget resolutions, altering rates of tariff on various items has been introduced into parliament and customs memorandum No. 45, supplement B, has been issued detailing the changes.

France.—Effective until September 1, 1924, frozen pork may be imported into France by way of the ports of Bordeaux and Marseilles from the United States, Canada, Brazil, Argentina, and Uruguay. The pork must, however, bear a stamp or label of government inspection certifying that it has remained in cold storage at a temperature of five degrees Fahrenheit for at least twenty days.

Iceland.—In addition to many goods, the importation of which was formerly prohibited, the following items are now prohibited importation: Butter, bacon, cheese, fruit, except apples and prunes; salt meat. Other items not manufactured in Canada are included but are omitted here.

Brazil.—Companies engaged in cultivating and ginning cotton may import tractors free of duty.

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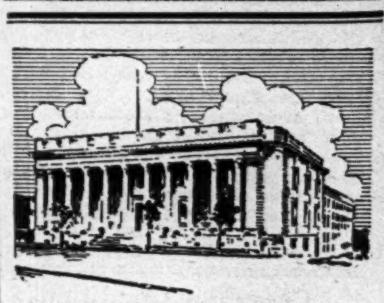

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The Grain Movement

OTTAWA.—Preliminary figures showing the receipts at the Head of the Lakes, also Vancouver, B.C., for the period from September 1, 1923 to April 25, 1924.

	Fort William and Port Arthur	Vancouver
Wheat	240,552,880	40,936,296
Oats	30,973,115	259,340
Barley	11,589,119	46,285
Flax	3,568,737	......
Rye	4,322,882	188,838
Totals	291,006,724	41,430,759
Same period 1923	263,154,543	14,901,773
Increase . ..	27,852,181	26,528,986

WESTERN OPINIONS AS TO HOW THE CANADIAN BANKS AND THE BANKING SYSTEM SHOULD NOW BE IMPROVED

Extravagant Demands Based on Lack of Complete Understanding

EDUCATION NEEDED

Men on the Land See Weaknesses of System From the Farm Standpoint Without Appreciating Advantages

By ARTHUR E. DARBY,
Editor, Saskatchewan Co-operative News.

The tariff changes embodied in the budget have indicated that Western Canada, through the votes of the Progressive party, is exercising considerable influence in the government's program. It is evident that the same influence will be felt in any action taken in the House of Commons on the Bank Act. And such action is now to be anticipated in view of the fact that the evidence taken by the Commission of Inquiry into the Home Bank is being considered by the Standing Committee on banking.

Therefore, it is important that Western opinion on the Canadian banks and Canadian banking should be understood in its bearing upon the attitude of Progressive members in the House. This opinion is reflected in the accompanying article.—Editor.

Recent occurrences in the banking world will not tend to reduce the dissatisfaction rife in Western Canada with the banking system in general. Previous to the last session of Parliament this dissatisfaction found vent in somewhat extravagant demands for the establishment of federal and provincial banks, for the resumption by the federal authorities of the note-issuing privileges, and for an enquiry into the whole problem of credit. The farmers' organizations were driven by the pressure of the reformers and "soft" money advocates to endorse proposals of which, in fact, they understood the probable effect not at all. The Canadian Council of Agriculture put forward a request for a national bank. Parliament itself was compelled to appoint a committee which spent a great deal of time in listening to the theories of professors, banking experts and faddists of one kind and another without any earthly prospect of reaching any legislative conclusions. Then came bank amalgamations, and, last of all, the failure of the Home Bank. It is not surprising that the agitation for radical modification of the present banking arrangements of the country has received fresh impetus from the disgraceful confidence-shaking exposures in connection with the career and eventual breakdown of the Home Bank.

It is a question if the needs of the farmers have ever been properly considered in the development of Canadian banking facilities. Branch banks have been established throughout the West, creating the appearance of providing for the farmers' needs. The cost of banking service to the agriculturists has thereby been increased without any genuine attempt being made to meet the peculiar requirements of agriculture for banking credit, it is contended. In his annual address at Montreal on December 3, Sir Vincent Meredith, president of the Bank of Montreal, said: "An investigation of the causes of farm failures in the United States has brought to light the information that in the vast majoriy of cases they were due to lack of experience, a shortage of capital, and unwise credit extension on the part of the banks. The same explanation is applicable to similar conditions in Western Canada." In other words, the problem of providing capital for agricultural industry in the new country embraced in the prairie provinces has not been solved by the banks, their great extension and activity in the West notwithstanding. Coming from Sir Vincent Meredith, such a statement is regarded in the West as even stronger condemnation of the inadequacy of the Canadian banking system than even the extreme utterances of Western agitators. And though Sir Vincent has stated the conditions of failure so clearly, he has made no constructive suggestions as to the changes which ought to be made in banking practice to meet the Western requirements.

Opportunity for C.B.A.

If the great bankers of the country are not prepared to step out and make some real effort to solve the problem of agricultural credit, is it to be wondered at if the farmers who suffer under the inadequacies of the banking system turn, in their ignorance, to the remedies of the sophists among them who would nationalize the banks and issue unlimited currency on the basis of the potential, but undeveloped, wealth of the country? How can the farmers be expected to realize that banking is a business, subject to the influences and factors operating upon business in general? The relation between deposits and loans, the reason for high rates of interest, the difficulty of meeting the demand for long-term credits, none of these vital elements in the banking problem have been properly explained to the farmers by those to whom they looked for guidance in their financial affairs and from whom they are now withdrawing their confidence. The Western situation indicates that the bankers have neglected their opportunities to spread knowledge of the principles of sound banking; they have failed to give any proper consideration to agricultural banking needs or to make provision for them; they can hardly blame the newspapers, the farm journals or the farmers' leaders for failing to look after their business connections for them.

In the existing exhaustion of farmers' credit—due, partly, says Sir Vincent Meredith, to the unwisdom of the bankers—and with the depression in agricultural prices compared to the prices of other commodities, it is difficult indeed to persuade the farmers to listen patiently to explanations of banking principles. They see the sound banks paying very good dividends. They see bankers making profits while they are making losses or, at the best, "breaking even." And then they see the savings of depositors dissipated in some reckless adventure in high finance. It is not to be wondered at that the farmers point to the privileged position conferred on the banks by the legislation which has made banking a quasi-monopoly as a proof, not of the safety of banking institutions or of their efficiency as instruments for financing industry, but of the power of the banks to exploit and fleece them. Naturally they demand that, if such powers are to be exercised, they shall be exercised by the government itself, without paying very much attention to the probabilities that worse, if different, abuses might result from such conditions.

West Wants To Be Fair

Yet the attitude of large numbers of people in the West toward the banks is that of suspended judgment. They have had ocular demonstration of their weaknesses and they have listened to the loud demands for particular reforms; but they recognize their own inability to form any real judgment on the merits of the case. The real question in regard to bank failures is, after all, how to guarantee the integrity of the banker. To establish a system of government inspection of banks would be to substitute the integrity of the government for that of the bankers. In the case of the Home Bank the government is being urged to indemnify the depositors on the ground that it ought to have stepped in to protect them before it was too late. Such a request would be irresistible if banks were subject to government inspection. Yet it is to be doubted whether government inspection would provide, in fact, any better guarantee of the integrity of the bankers than exists to-day. The bad banker is evidently the one affected. Is it conceivable that a bad banker would not find means to throw dust in the eyes of government inspectors if he were really determined to pursue objects which should have no place in the business of banking, properly conducted? On the other hand, if the banker were to be protected from the consequences of loose banking by the fact that government inspectors would be saddled with the responsibility for his laxity or errors, would not the risk of loose banking be greatly increased by the establishment of a system of government inspection?

It is notable that the Canadian Council of Agriculture at its last meeting passed a resolution asking for a system of "outside inspection" to guard against repetition of such disasters as that of the Home Bank. This is an indication that agriculturists as a whole are by no means sure that government inspection is the only or the best safeguard against bad banking. They may be beginning to realize that the business of banking has become a virtual monopoly through the exercise of a government control which is, perhaps, less effective than would have been the operation of competition. If the tendency of banks to fall under centralized management and control, and of bankers to dictate the policies of industry, is to be checked, may it not be advisable to make it easier for banks to be founded and carried on? If the credit necessities of agriculture are only to be satisfied by resort to some form of co-operative banking, would it not be expedient to relax rather than to rivet the bonds which tie up banking business to a few huge corporations? Such considerations may underlie the thinking on this matter of those who help to form the opinions of the farmers in the prairie provinces.

The resumption by the Dominion Government of the sole right to issue currency is being steadily advocated in the West. Remarkably, the bankers are silent upon the subject. It is said that large profits are made by the banks from the possession of the note-issuing privilege; but the bankers neither affirm nor deny the statement. On the face of it, no good reason would appear to exist against the issuance of all currency by the government. To adopt that expedient might do much to check the exaggerated statements about the profits accruing from the process and as to the power wielded by the currency-issuing authority. The ignorance of the people generally about the bases of "credit," the functions of money and the nature of wealth might be to some extent lessened by the withdrawal of the note-issuing privilege from the banks. Their business would be simplified, in the eyes of the uninitiated at any rate, and their relations to traders, manufacturers, farmers and the public at large might be more clearly comprehended.

Bankers appear to have prided themselves somewhat in the past on the mystery of finance. They are now in danger of discovering that mystery arises entirely from ignorance. If it be not too late, the banks should endeavor to promote a general comprehension of their functions and services. To protect the depositors in a bank against loss by means of a government guarantee will be to create a favored class of creditors. No other business would enjoy similar protection against wrong-doing or error in conduct and management. The ultimate end of any such course would be the nationalization of the banks. Already some are agitating for that very thing. And if that is what the bankers want they are going the right way to get it. The time has come for some constructive proposals by the bankers themselves to meet the difficulties which the public sees in judging of the integrity of existing banks, and to guard against loss by those who trust their savings to bankers. If the public confidence in the present banking system, especially in the West, is to be restored and maintained, it is the turn of the bankers themselves to take steps to secure that end. Not only has the sense of security of depositors been weakened, but there is a feeling abroad that the banks themselves are profiteers and speculators. Agriculture is badly in need of assistance to finance its operations over longer periods than the banks are now prepared to consider. "Short" term credits for the farmers are long term credits in the eyes of the banker—too long, in fact. For what the farmer calls long term credits there is no adequate provision at all. What are the banks going to do about it? Or is the problem to be left to the government and the politician for solution, with all the attendant dangers of bureaucratic control of banking facilities and paternalistic legislation which will lead to an aggravation of the problems which have resulted from too much "credit" and too little self-reliance?

If the Eastern interests which are said in the West to exercise a money monopoly make the grave error of assuming that Western ideas on banking are revolutionary and iconoclastic they will encourage a vast deal of existing moderate opinion to become so. If they contemplate leaving the politicians to pull all the chestnuts out of the fire they will regret their inactivity when it is too late to remedy its consequences. Bankers have their duties to the public; and not least among them is that of promoting clear understanding of what they are doing and how they do it.

MORTGAGE MEN TO DISCUSS THE FARM POSITION

To Consider Agricultural Credits For the West

WINNIPEG CONVENTION

Special Correspondence.

WINNIPEG.—At the annual meeting of the Dominion Mortgage and Investment Association, to be held at the Royal Alexandra Hotel, May 19 and 20, one of the most important questions to be considered will be the position of the farmer. Dr. Tory's report on rural credits to the Federal Government makes the matter a particularly live one apart from the fact that it is perhaps the most outstanding question in Canada to-day in relation to fundamental conditions. After all, no one is in a better position to consider the position of the farmer than his banker—the banks and the various mortgage institutions, which have advanced him money and which depend for the payment of interest and return of principal on his success.

An extensive survey has been prepared which will go to show that as compared with Australia, New Zealand, the United States and other countries, the Canadian farmer is in a better position because there has been less impairment of his credit through government loans. Conditions in the United States have been analyzed, in particular, to show that there one measure of government relief has merely led to another with the result that the farmers have been loaded with debt which they can with difficulty carry. Hundreds of banks have failed as the result of this situation and the prospects are that many hundreds more will fail before conditions can be returned to a healthy basis. Government measures have tended to aggravate rather than remove the fundamental difficulties.

Aiding Mixed Farming

The unoccupied areas provide one of the big questions in connection with the forward development of Western Canada. It will be discussed by the delegates. It has to do with land being held for speculative purposes, with some land which has been unsatisfactorily settled and deserted, etc.

The development of the livestock industry, and of mixed farming in general, is recognized as one of the live questions in the solution of the agricultural problems of Western Canada. In view of the world situation in wheat, it has become evident that in order to increase farm production and return profits above overhead and operating costs it is necessary to diversify the products and in this connection the successful raising of live stock with fodder crops is of first importance.

Dangerous Legislation

Alberta's legislation promises to be one of the livest topics discussed at the convention. A great many measures have been passed in this province which tend to impair the position of the mortgagee. There has been a growing recognition of the fact that this legislation has had the effect of discouraging the investment of capital in the province, but so far steps to improve conditions have not been very satisfactory. At present there is a tendency to not only refrain from making further investments in the province, but where possible to withdraw capital. It is felt that the way out of this difficulty is for a frank consideration of the whole question by the government and the loaning institutions.

The affairs of a number of municipalities, which have failed to meet interest obligations will be considered. Steps have already been taken by mortgagees in their own interest to test out in the courts their rights under their municipal mortgages—in other words to decide just what security the holder of a municipal bond has.

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News and Views for Investors

N. B. POWER

A satisfactory increase in the surplus of New Brunswick Power is noted in the report on this year's operations as compared with last year. Anticipating such an increase, there was a cut made in electric light rates on March 1.

SAWYER-MASSEY

Sawyer-Massey shareholders, at their recent meeting in Hamilton, approved of the annual report which had been sent out some time previous. H. Aird, Hamilton, for some time member of the board, was chosen as vice-president.

LIST PAPER ISSUES

There is talk of listing three Canadian paper stocks in New York, Abitibi, Spanish, and Brompton. Spanish common showed signs of strength during the week but the other papers showed little rallying power, some of them being off to a new low.

PORT HOPE SANITARY

Port Hope Sanitary has applied to Ottawa for permission to reduce its capitalization from $1,250,000 to $1,050,000, which is the result of the company having purchased and cancelled 1,560 of the preferred shares and the cancellation of 440 shares of the preference which remained in the treasury. Port Hope Sanitary preferred is fairly closely held. So far this year only five shares have changed hands, having sold during the last week at 90. Only forty shares of the common have been traded in since the turn of the year, and none since February.

BRITISH AMERICAN OIL

Increase in gasoline consumption is the explanation offered for the buying of British American Oil which firmed a little during the week on transactions of 766 shares. For the last couple of weeks of April, and the beginning of the present week, this issue sold at the year's low, 33 as compared with a high of 37¼ in February. Since the latter date the stock has been firm around 36 to 37 until the recent break of 3 points. Open weather conditions has resulted in a material increase in gasoline sales as compared with 1923 figures.

DOMINION STEEL FOUNDRIES

George Wright, of the Dominion Steel Foundries, Hamilton, believes that the effect on industry of the proposed tariff reductions will be more psychological than actual, although it is apparent that a large amount of business will go outside the country. "We are not directly affected," Mr. Wright tells Canadian Machinery, "but we suffer by anything that affects the steel mills adversely. It is certain that if industry feels that the government is not behind it, there will be little movement toward expansion." There is no immediate prospect of the plate mills at Dominion Steel Foundries plant commencing operations, according to Mr. Wright. "We are operating now largely on unfilled tonnage, as new orders are materializing slowly."

TWIN CITY'S DECLINE

Twin City common has sold down to 50 as compared with an April high of 61, a March high of 65, a February high of 66½ and a January and years high of 69. In other words the stock has steadily declined since the first of the year, losing in all 19 points. The recent three-point break is said to be due to the feeling that the 4 per cent. dividend is not likely to be exceeded. There were not many who thought it would be. The company has been doing a fair business but nothing like it would have, if general conditions in the middle west were good. Then again the matter of fares is still in the air, pending the valuation of the company's properties and until this is settled, the uncertainty as to the future of the issue will be in the air. The former dividend rate was 6 per cent. and many thought this would be resumed.

MACKAY COMPANIES

Reviewing Mackay, Craig, Luther & Irvine, say: "In 1905, the company started paying 2 per cent on the common and worked this up to 4 per cent. in 1907. It held at that rate until 1910, when it was placed on a 5 per cent. basis, remaining until 1917, when it went on a 6 per cent. basis to remain there until 1923, when the rate became 7 per cent. In that year an extra dividend of 10 per cent. was declared, making 17 per cent. in all, which had the effect of sending the stock up to a new high level at 123. As the stock sold at 56 in 1920, shareholders experienced the pleasure of seeing their investment more than doubled in value in three years.

"The future of this company should be of exceptional interest as the operating facilities of the revenue-making subsidiaries are being extensively increased out of accumulated earnings. With no increase in capitalization, and no funded debt, it is natural that the shareholders should view their position with considerable comfort and satisfaction. In years to come, there is no reason to doubt that the dividend policy will be as generous as in the past."

BRITISH EMPIRE STEEL

That Cape Breton miners are not allowing Red propaganda to interfere with their chance of making money while the season lasts is shown by the fact that the May output of Besco is the largest for a single month since pre-war days. It totals approximately 378,000 tons.

DETROIT UNITED

Detroit United Railway has sold down to 43½ during the past week as compared with a year's high of 72½ in January. The decline in the stock has been quite steady until the recent break of 7 points in a couple of days. The uncertain position of the company, the withholding of dividends and the fact that poor business is making inroads on the earnings of passenger carrying utilities, are among the main reasons for the break.

CUBAN CANADIAN SUGAR

The outturn of Cuban Canadian Sugar for the past season, just now finished, was 181,703 bags compared with 165,722 bags in 1923. It is reported that the company has disposed of a considerable proportion of its production at over 5 cents per pound, which is well in excess of the present market quotation for raws. The company's fiscal year ends in June, and present indications point to a decidedly satisfactory showing.

DULUTH SUPERIOR

Duluth Superior has broken 10 points to 19½ in a month. The year's high was 35 in January. The sale of 155 shares carried the stock down to the present level from the April 3 point of 29½. Jitney competition has made inroads on earnings but a movement is now on foot to have these regulated and this promises some measure of relief to the company.

QUEBEC POWER

Evidently many expect dividend action by Quebec Power board this year. This is the reason for the stock selling at 75, a new high, of late. Last year directors intimated that some such action was to be expected in 1924. The strength of the stock has brought it to a point which places the old Quebec Railway stock at about its normal market level. Thus, say Montreal reports, is the drastic character of the reorganization of the Quebec Railway being justified, as is also the confidence which many holders had in the property. It has been freely prophesied that under the present administration the holders of Quebec Railway shares who converted their stock will eventually receive much more for their holdings than they could have hoped for under the old regime, even after the 75 per cent. reduction in the amount of stock outstanding.

HIGHER FARM WAGES

OTTAWA.—The average wages of farm help showed a slight advance for 1923, as compared with 1922, according to a bulletin prepared by the Bureau of Statistics. For Canada the average wages per month of farm helpers during the summer season of 1923, including board, were, for men $61, as against $59 in 1922, and for women $39, the same as in 1922.

Public Utility Earnings

WINNIPEG ELECTRIC

March—	1924	1923	Change
Gross	$ 456,634	$ 489,241	—$ 32,607
Op. exp. and Txs.	357,927	353,707	+ 4,219
	$ 98,707	$ 135,534	—$ 36,827
Fxd. ch.	53,004	68,018	— 15,013
Net div. in.	$ 45,702	$ 67,516	—$ 21,813

12 Months Ending March 31—	1924	1923	Change
Gross	$5,406,375	$5,521,721	—$115,346
Op. exp. and Txs.	4,023,951	4,098,046	— 74,094
	$1,382,423	$1,423,675	—$ 41,251
Fxd. chgs.	734,380	707,447	+ 26,933
Net. dv. in.	$ 648,042	$ 716,228	—$ 68,185

Railway Earnings

CANADIAN PACIFIC RAILWAY

Week End.	1924	1923	Change
Apr. 30	$4,271,000	$3,737,000	+$534,000

CANADIAN NATIONAL RAILWAYS

Week End.	1924	1923	Change
Apr. 30	$5,957,318	$6,202,601	—$245,283

BARGAIN OFFERINGS ONLY FIND BUYERS ON PRESENT MARKET

Brokers Say That Some of Declines Not Indicative of True Position

TEXTILES SUFFER

Budget at Ottawa Has Effect—Public Waits for Better Business Before Entering the Market

The security markets continue weak and irregular. It is a buyers' market. For instance, during the past week a small block of Monarch Knitting was offered, and the price was cut 15 points before a buyer came forward. There has not been this severe change in the position of the company, but the experience is indicative of two things; the public is not in the market, other than in bargain hunting, while insofar as the textile stocks are concerned, the recent budget has robbed them of their investment attractiveness.

Leading brokers are not deeply concerned with the market outlook. The public is not overloaded with stocks, and there has been no great spectacular change in conditions to effect the value of securities. As they view things, business is not good, and so long as it remains so the public is not inclined to go into the market and purchase stocks.

Optimistic Feeling

Brokers say they can see signs of a general improvement of business in the offing. How far that improvement will go they are not prepared to say, but they firmly believe that the present situation will right itself before very long. Then, when business improves and profits begin to show better, they believe that the public will return to the market to purchase securities.

No group shows strength. New York has had a slight flurry of late, but it has made no impression on the Canadian lists. Both speculators and investors seem to have completely ignored the New York movement.

The following table shows that the Canadian lists have been pretty well neglected. Losses in some cases have been quite severe. One broker stated that such declines should be thoroughly weighed, as they are not to be taken at their face value. In many cases sales are being forced, while the buyers watching the market are only entering when a bargain offers.

Stocks	Loss	Gain	Unchgd.	Ttl.
Banks	4	3	3	10
Pulp and paper	0	6	4	10
Steel	4	4	7	15
Milling	2	1	7	10
Utilities	3	4	6	13
Tractions	4	3	6	13
Textiles	6	1	6	13
Industrials	3	3	16	22
	26	25	55	106

C.P.R. WILL KEEP ADDING TO SYSTEM

New Capital Expenditures will be Necessary—Prospects for Ocean Traffic Good

From Our Own Correspondent.

MONTREAL.—An indication that the Canadian Pacific Railway expects to continue expanding to the end of keeping the property at the peak of efficiency was contained in the address of President E. W. Beatty to the shareholders at the annual meeting. This, he suggestel, would involve the necessity of continuous and extensive expenditures on capital account. Mr. Beatty assured the shareholders that their property had never been in so excellent a condition as it is now.

President Beatty referred to the company's recent home financing. The bond issue of $12,000,000 was made in Canada because, in addition to enabling the money desired to be readily secured, the home sale has the advantage of extending throughout Canada interest in the C. P. R.'s securities. It also gave Canadian investors an opportunity to show their confidence in the company's financial standing, which they did in a very complete and gratifying manner, Mr. Beatty said.

The president forecast good business in the company's ocean steamship lines on both the Atlantic and Pacific. He said: "It is anticipated that the immigrant travel to this country will greatly exceed that of 1923, and that the general passenger travel to and from Great Britain will be exceptionally heavy. The Pacific traffic is gradually recovering, due to the somewhat more settled conditions in China and the rehabilitation work being effected in Japan."

He was unable to be so definite regarding rail traffic during the coming year, but said on this point:

"So far as the prospects for rail traffic are concerned it is difficult to hazard any estimate which would be of value. The first three months' business was on the whole satisfactory, but at the present time there seems to be a distinct lull in both export and domestic shipments due in part to some unsettlement in industrial districts and to the fact that caution in purchasing is being generally practiced and short term requirements filled rather than wholesale stocking in many lines of trade. It is too early to anticipate the results of this year's crop, though the acreage under crop will probably be approximately the same as last year and, generally speaking, soil conditions are reported to be excellent. If the yield approaches the crop of 1923 there will undoubtedly be a very extensive autumn business and a vastly improved psychological and financial situation throughout the whole country."

Western Grocery King Reports Better Business

From Our Own Correspondent.

WINNIPEG.—Alexander Macdonald, millionaire wholesale grocer, arrived here at the close of the week from the Pacific coast and gave a glowing account of trade conditions. The company up to the present has had fifteen branch houses and now has sixteen due to the opening of a new house in Victoria where Duncan Macdonald, son of the president, will be in charge. At Vancouver Mr. Macdonald said his people could not keep the trade of the time up to date and they were several days behind the schedule due to the unusual pressure. The same thing was true, he said, all through the provinces of Saskatchewan, Alberta and British Columbia. In Manitoba trade was quiet but the reverse was true all through the balance of the West.

GENERAL MOTORS OF CANADA

Output of General Motors of Canada, Ltd., in 1923 exceeded 50,000 cars, of which 27,000 cars were exported. Payroll exceeded $6,000,000. Employees numbered 4,000. In addition to complete cars exported, General Motors, Ltd., of England, in the city of London, received motors, axles and other units from the Canadian plants for the assembly plant at Hendon.

General Motors of Canada, Ltd., has invested capital of $25,000,000. Over 485,000 shares of General Motors stock are held in Canada, and over 935,000 shares in Great Britain.

STOCK MOVEMENTS OF THE WEEK

WEEK ENDING MAY 6

	Div. Rate	Yield May 5	High For week	Low For week	Close May 6	Close April 29	Sales For week	Range High	1924 Low
Banks—									
Commerce	12	6.59	182	181	182	182	168	188	181
Dominion	12	6.55	183	183	183	183½	1	187	181
Hochelaga	10	6.75	148	148	148	148	17	150½	143½
Imperial	12	7.05	170½	169½	170½	170	73	179	169½
Molson	12	8.00	153	149½	150	153	197	159½	149½
Montreal	12	5.10	236	233½	236	235½	119	248	230
Nova Scotia	16	6.28	255	252	255	255	68	260	248
Royal	12	5.55	217½	215½	217	216	63	217½	211
Standard	12	7.45	162½	161	161	163	31	168	161
Toronto	12	6.91	174½	173½	173½	173½	77	179	173½
Union	8	7.54	106	105½	105½	105½	16	109½	103
Paper—									
Abitibi, com.	4.00	7.08	57	54	56½	54	811	69	54
Do. pref.	7	6.93	101½	101	101½	101	250	103½	100
Brompton Pulp	..	....	35½	34½	34½	34½	410	43	34½
Laurentide	6	6.95	87	86	86½	86	823	98½	84½
Price Bros.	2	4.73	42½	41	42	41	170	45	40
Prov. Paper, com.	6	7.22	83	83	83	88	10	110	83
Smith, Howard, com.	6	10.52	57	55	57	55	190	75	52
Do. pref.	8	8.69	92	92	92	93	65	100	90
Spanish River, com.	7	7.12	99½	96½	98	97½	1875	114½	96
Do. pref.	7	6.39	109½	107	108½	107½	625	119½	105½
St. Maurice Paper	6	6.74	89	89	89	89	50	113¼	83
Steel and Steel Industries—									
B.E. Steel, com.	..	....	3½	3	3	3	175	6	3
Do. 1st pref.	..	....	36½	36	36½	35	120	57½	35
Do. 2nd pref.	..	....	9½	9	9	8½	995	17	8
Can.Car & Found.,com.	..	....	45	44½	45	45	235	50	36½
Do. pref.	7	7.95	88½	88	88	88	130	97	84½
Dominion Coal	..	....	60	60	60	65	2	81	60
Dominion Iron, pref.	..	....	35	35	35	36½	20	57	35
Dominion Radiator	7	7.36	95	95	95	95	10	95	94
Dominion Bridge	4	6.55	63	60	63	61	450	80	60
Dom.Steel Corp.,pref.	..	....	40	40	40	45	15	73	40
Ontario Steel, com.	4	9.75	41	40½	41	43	10	45½	40½
Steel of Canada, com.	7	9.72	74	71½	72	72	1472	83	70
Do. pref.	7	6.86	102	101½	101½	101½	114	105½	100
Milling—									
Canada Bread, com.	4	6.20	64½	64½	64½	63	10	74½	63
Do. pref.	7	7.22	96½	96½	96½	96½	26	98½	95
Lake of Woods, com.	12	6.89	174	173½	174	180	30	180	167
Maple Leaf, com.	..	....	62	62	62	66½	25	69	60
Do. pref.	7	7.69	91	91	91	91	36	95½	87
St. Law. Flour, com.	6	8.95	67	66½	66½	67	40	73	66½
Do. pref.	7	7.77	90	90	90	89	25	91½	89
West. Can. Flour	8	8.16	99	98	99	98	28	105	98
Inter. Milling, pref.	7	7.34	95½	95	95	95½	40	96½	94
Utilities—									
Bell Telephone	8	6.28	127½	126½	127½	127½	534	132½	125
Consumers Gas	10	6.21	161	160½	161	160½	52	166½	159
Mackay, com.	7	6.25	112	111	112	112	240	120½	110½
Do. pref.	4	6.03	66½	66	66½	66½	46	71½	65
Montreal L.H.& Pr.Cons.	7	4.48	156	153½	156	157	1896	161½	140½
Montreal Telegraph	8	6.66	48	48	48	48	22	52½	48
Ottawa L. H. & Pr.	6	7.14	84	84	84	84	75	86	81
Quebec Power, com.	..	....	74	65	74	65	236	74	64
Southern Can. Pr.	1.00	....	57	57	57	59	45	61	51½
Shawinigan	7	5.60	126	125	126	126½	269	135½	118½
Transportation—									
Canadian Pacific Rly.	10	6.66	150½	149½	150	150	146	154	147½
Canada Steamships,com	..	....	15	14	14	15	335	16	11
Do. pref.	..	....	51	49	51	49½	590	52	41½
Tractions—									
Barcelona	..	....	17½	14	17½	13½	475	17½	12½
Brazilian	4	7.76	51½	50½	51½	52	8283	53½	41½
Detroit Un. Rly.	6	12.06	52	43½	45	53	1067	72½	43½
Duluth-Superior	..	....	20½	19½	19½	21	35	35	19½
Montreal Trams.	10	6.75	148½	148	148½	149	37	159	148
Porto Rico Rlys,com.	..	....	17½	17	17	20	35	25	17
Do. pref.	7	10.00	70	70	70	70	15	75	66
Quebec Rly.	..	....	17	17	17	16	75	17	14½
Toronto Railway	..	....	88½	82½	88	86½	803	88½	80
Twin City, com.	6	10.90	55	53	53	55	195	69	53
Winnipeg Elec., com.	..	....	26	25½	25½	26	185	30	24
Do. pref.	7	9.18	77	76	77	77	86	85	75
Textiles—									
Can.Conn.Cotton,pref.	8	....	60	60	60	74	20	80	60
Can. Converters	7	9.52	73½	73½	73½	75	35	90	73½
Can. Cottons, com.	8	9.14	87½	85½	87½	88½	685	111	85½
Do. pref.	6	6.74	89	89	89	89	25	91	88
Can. Woollens, com.	..	....	6	6	6	7	10	7	6
Do. pref.	..	....	40	40	40	41	61	41½	35
Dom. Textile, com.	4.00	6.89	58½	55	58½	55	488	66	54
Do. pref.	7	6.57	106½	106½	106½	107	10	109½	104½
Monarch Knitting,pref.	7	10.14	69	69	69	69	25	82	65
Montreal Cotton, pref.	7	6.54	107	107	107	106½	20	107	104
Penmans, com.	8	5.94	140	134	134	141½	266	165	134
Do. pref.	6	6.31	95	95	95	92	10	96	92
General Industrials—									
American Salesbook,pref.	7	7.74	90½	90	90½	90	25	95	86½
Asbestos, com.	..	....	28	27	27	27	40	35	25½
Burt, F. N., com.	10	8.00	125	125	125	128	5	137½	125
Canada Cement, com.	6	6.91	87	86	86	86½	401	93	84½
Do. pref.	7	6.61	105½	105½	105½	107½	180	108	102½
Can. Gen. Electric,pref.	7	6.54	53	52½	53	52½	187	54	51½
Carr. Factories, com.	..	....	1½	1½	1½	1	25	1½	.75
Can. Indust. Alcohol	6	....	27	26	26	27	275	28½	26
City Dairy, com.	10	5.55	45	43	43	45	100	47½	40½
Cuban Can. Sugar, com.	..	....	6½	6½	6½	6	210	13	6
Dom. Canners, com.	..	....	24½	24	24½	25	50	35½	20½
Do. pref.	7	8.43	83	83	83	83½	50	90	82
Dominion Glass, com.	7	6.76	103½	103	103½	105	56	110	101½
Do. pref.	7	6.54	107	104	107	107	150	107	103
Dominion Stores, com.	1.00	....	26	26	26	27	30	30	26
Do. pref. (A).	8	8.88	90	90	90	90	4	90	81
Eastern Theatres, com.	..	....	14½	14½	14½	14½	5	14½	12
Frontenac Brew, com.	..	....	64½	62	64½	64	50	64½	60
Goodwins, pref.	7	7.36	95	95	95	93	25	95	80½
Goodyear Tire, pref.	7	9.58	76	73	73	75	17	81½	73
Interprov. Brick, com.	6	9.09	66	66	66	66½	4	66½	66
Macdonald, A.	..	....	5	5	5	5	15	5	4
National Brew., com.	4.00	8.04	50	49½	50	49½	407	56½	49
Port Hope Sanitary,pref.	7	7.77	90	90	90	..	5	90	90
Russell Motor, pref.	7	14.00	50	50	50	50	9	56	48
Sherwin-Williams,pref.	7	7.10	98½	98½	98½	100	30	103	98½
Sterling Coal	4	9.09	44	44	44	44	105	44	40
Tuckett Tobacco, pref.	7	7.40	94½	94½	94½	94	10	97	92½
Trust and Loan—									
Canada Landed	10	6.25	80	80	80	81	35	86	80
Can. Permanent	12	6.55	183½	183	183	183	35	187	180
Huron & Erie	7+½	6.09	125	123	123	125	18	125	120

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PLANTING TREES ON PRAIRIES

LETHBRIDGE.—"Plant More Trees" is a campaign that is spreading in Southern Alberta. The forestry car of the Canadian Forestry Association has been touring the country, Archie Mitchell, veteran forestry expert, lecturing to large audiences at every stop. Thousands of native cottonwood trees have been planted on dry farms this spring.

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CANADIAN COTTONS PROFITS SMALLER; POSITION STRONG

Flood Loss is Placed at $136,000 by President C. R. Hosmer

From Our Own Correspondent.

MONTREAL. — Canadian Cotton's annual report, which came out this week, is bright enough in comparison with the rather gloomy forebodings concerning the future of the textile industry that have been common talk of late. True profits of the company were reduced; but the biggest reduction was due to a loss entirely apart from manufacturing or sales conditions, the damage occasioned by the flood at the company's St. Croix Mill last spring.

Discussing the coming year, Charles R. Hosmer, president of the company, has this to say:

"It is difficult to forecast business conditions for the coming year. At the moment curtailment is general among the textile mills throughout the world; and in all probability this will continue for some time to come.

"Your directors hope, however, that the last half of the financial year, 1924-25 will show a decided improvement, particularly if a fair cotton crop is harvested which can be sold at reasonable figures. Stocks throughout the wholesale and retail are steadily diminishing, and further supplies will surely be needed before many months have passed.

"It is expected also that some government action will shortly be taken to overcome the disability to which Canadian manufacturers are now subject through the discount on foreign exchange; such a movement would certainly tend to increase the demand for domestic goods."

Loss Was $136,000

The report places the loss at St. Croix at $136.184.

Gross business was very well maintained, sales having amounted to $9,677 510, as compared with $10 233,942 On this gross business the net manufacturing profit was $525,889, as compared with $604.141.

Profit and loss account figures of the past three years compare as follows:

	1924	1923	1922
On. pref. . . .	$ 525.889	$ 604.141	$ 675.227
Int. on inv. .	95.490	99,051	93.345
Tl. Inc.	621.379	703.192	668.572
Bond int. .. .	160.167	162.046	176,934
Balance	461.212	541.146	491.638
Bad debts. ..	15.006	41.362	30,491
Balance	446.206	499.784	461.147
Pfd. divds. .	219.690	219.690	219.690
Balance . ..	226.516	280.094	241.457
Com. divds. .	217.240	217.240	217.240
Surp.	9.276	62.854	24.217
Prev. surp. . .	2.807.144	2.744.291	2.720.074
Tl. surp. . ..	2.816.420	2.807,144	2,744,291
*Sp. loss . .	136.184	....	....
P. & L. Sur.	$2,680,236	$2,807,144	$2,744,291

*Loss arising from St. Croix Mill flood.

Working Capital Up

Net working capital is up to $3,413.463 from $3,156.495. This is due largely to the reduction of the bank loan to $595.717 from $1.100.591, of accounts payable to $945.949 from $1.199.771, and of bills payable to $127.068 from $226 086.

Working capital position of the company as at March 31 compares as follows:

	1924	1923	1922
Cur. Ass'ts. ..	$5,340.410	$5.932.155	$3.606.278
Cur. Liab. ...	1,926,947	2,775,660	2,384,317
Work. Cap. . .	$3,413,463	$3,156.495	$1,221,961

Edge is Off Demand For Eastern Lumber

ST. JOHN. — With the British market unsettled and the edge off the demand in the United States, conditions in the lumber industry are not satisfactory from the standpoint of the operators who have large stocks on hand. Those operators who sold their output in advance are in a much better position.

UNLISTED SECURITIES

Industrials, Utilities, Etc.—	Bid	Asked
Can. Assoc. Goldfields	06	08
Can Westinghouse, pref.	131	134
Can. Marconi	.70	1.00
Cockshutt Plow, pref.	26	32
Collingwood Shipbuilding, com	50	60
Cosgrave	5¼	6
Dom. Linens, com.	5	10
Dom. Linens, pref.	25	35
Dom. Power pref.	94	96
Dom. Power com	40	43
Dunlop Tire 7% pref.	80	..
Durant Motors (A)	4¼	5½
Durant Motors (B)	5¼	6½
Durant Motors (C)	7¼	8
Dom. Sewer Pipe, com.	25	..
English Elec., com.	6	9
English Elec., pref.	47	50
Famous Players, pref. 50% com.	66	69
Gunns, Ltd., pref.	34	37
Hamilton Pantages, pref.	45	48
Hamilton Pantages, com.	..	3
King Edward Cons., com.	34	37
King Edward Cons. pref.	55	58
K. & S. Tire, com.	..	.60
K. & S. Tire, pref.	13	18
Loew's Buffalo, pref.	58	60
Loew's Hamilton, pref.	45	48
Loew's London, pref.	5	5½
Loew's Montreal, pref.	..	25
Loew's Ottawa, pref.	18	20
Loew's Toronto, pref.	64	67
Loew's Toronto, com	..	36
Loblaw Groc. 2nd pref.	120	..
Massey-Harris	..	30
Mount Royal Hotel, Com.	11	13
Mount Royal Hotel, pref.	41	44
North Mexico Power, com.	10	13
National Brick, pref.	50	58
National Brick, com.	10	12
Robt. Simpson, pref. 6%	88	..
Tiger Tire Unit	..	7
Western Grocers, pref.	33	35½
Loan and Insurance—		
Brit. Am. Assur.	6	7
Capital Life	22	27
Can. Mortgage	65	..
Continental Life	26	29
Crown Life	99	..
Excelsior Life	33	..
Great West Life	220	..
London Loan	44	48
Manufacturers Life	55	58
Mercantile Trust	100	..
Monarch Life, 10% pd.	13½	..
National Life, $25 pd	49	..
Ont. Equitable	..	17
Peoples Loan	66	..
Sovereign Life	17	25
Sun Life 50% pd.	170	..
Sun Life 35% pd.	140	..
Sterling Bank	86	89
Trusts & Guar.	65	68
Western Assurance	6½	8

Little Change Standing Trust and Loan Companies

The quarterly statement of deposits and securities of loan and trust corporations as of March 31, issued by the Ontario Department of Insurance, shows a slight decline in the total deposits, which are reported at $36,631,131, compared with $37,373,364 for the previous quarter and $37,669.924 for the same quarter last year. Cash on hand and in banks of Canada amounted to $3,519,604, compared with $5 599,289 on Dec. 31, and $4,901.191 for the first quarter of 1923. Holdings of Dominion or Provincial bonds or guarantees were $10,918,517, against $9,675,324 for the previous quarter, while holdings of Ontario municipal debentures were $3,994 638 against $3,987,478. The percentage of total of cash securities and loans to deposits was 52.55, compared with 52.87. The statement of guaranteed investments of trust companies and securities allocated therefor showed slight gains in guaranteed funds under all three heads of trust deposits, specific guaranteed investments and general guaranteed investments. Total guaranteed funds amounted to $44.368.227, as against $43.423.112. Total investments were $44,369 042, as against $43,493,415.

REORGANIZATION OF CHICOUTIMI PULP BEING CONSIDERED

Senator Beique Proposes Plan at Meeting of the Creditors

Chicoutimi Pulp Co. may be reorganized. New bonds, preferred and common stock, may have to be issued to realize $1,000,000 to provide working capital. This is the opinion of Senator F. L. Beique, president, expressed to a meeting of creditors at Montreal. He explained that the failure of the company was in part due to a loss of $1,500,000, sustained through the assignment of F. Becker & Co., London. The failure of the Bay Sulphite Co. was given as another contributing cause. J. E. Ardron has been named trustee in bankruptcy.

Sir Frederick, in a letter to Saguenay shareholders, attacks the legality of the March meeting of that company. He gave a short statement of the bond position as follows:

"The account of the banks stood as follows:

	Hochelaga.	Molsons
Dec. 31, 1924 . .	$2,047.244	$2.624.255
July, 1922	1,859.391	2,298.000
Dec. 31, 1922 . .	981.472	1,153.749
Oct. 4, 1923 . . .	542,376	231,775

"The amounts owing by the company on bonds were:

Saguenay P. & P. 6½'s—	
Dec., 1921, balance sheet	$5.297,500
In October	5,074,500
Reduced by	$223,000
Collateral Trust Bonds—	
Dec., 1921, balance sheet	$3.200,000
In October	x2,686,800
Reduced by	$513,200

x—$250.000 reissued.

Cash in hand against bonds—	
With Royal Trust Co.	$318.666
With Saguenay P.&P. Co.	326,177

As to the position of the companies, he says:

"St. Lawrence Pulp and Power Company had consistently lost money, and holds second mortgage over whole Chicoutimi properties.

"When I induced the Bay Company to buy Chandler Mill we found that the wood department was short by a sum justly estimated, of $515.164, which had been taken into stock in balance sheet December, 1921, and was later found not to exist.

"The Bay purchase resulted in the following benefits to Chicoutimi:

(a) $500.000 for lands behind Bay—taken against bonds.

(b) $400.000 lent them in cash.

(c) $100.000 a year over ten years, as share of profit.

"The negotiations in their later stage reflect no credit on the directors, and the completion of the transaction has been frustrated.

"Drought of last winter, 1923, resulted in the practical closing of the mills for four months, and put the company in greatest difficulty. Banks would assist us not at all. We turned as a committee once more to Becker & Co., Limited, and with assistance of some of the customers we raised by bills and cash a further sum of $535.000 without discount payment or consideration of any kind.

"This raised our indebtedness to Becker & Co., Limited and our buyers generally to over $750,000 by April and May of last year.

"After the advances were made, and not before, an executive committee consisting of Senators Beique and Wilson, set up a claim against these friends on past transactions, and this has rendered further assistance from them and refinancing impossible.

"It was at this juncture that the Bank of Hochelaga refused all further advances on wood, thus stopping operations of the committee, and the bank has since carried on themselves.

"Unadmitted claims set up by the executive in the second half of last year have been included in the balance sheet and taken to profit and loss. Other claims which are in process of recovery by lawsuit amounting to $450,000 were not so included, however.

"Fire loss. About 30.000 tons were burned. After long delay the matter went to arbitration. Our award at arbitration resulted in a loss of $300,000 on value they were taken into 1921 balance sheet at.

"The issue of Saguenay Collateral Trust Bonds yielded capital account of $3.000,000, of which capital expenditure took $725,355, and the banks took the rest.

"The company's balance sheet of December 31st, 1921, was subsequently proved to be in error $1,551,964, chiefly accounted for by:

$300,000 loss on fire, price recovered against price, taken into stock.

$515,164 Chandler wood taken into stock and found not to exist.

$264,000, inventories loss on realization.

"Telephone and electric light was disposed of and yielded $200,000.

"Farms and stores were sold to yield $120,000.

"Ludgate Pulp and Paper Syndicate contracts: 100 per cent. of the sulphite contracts have been sold. An attempt to refuse 60 per cent. of the mechanical pulp contracts is made by Senator Belque's executive committee, 18 months after their acceptance by the management committee, and partial execution. The Ludgate Pulp & Paper Syndicate have notified that all or none must be accepted.

"Management committee, after meeting in London in August last, were allowed to proceed untrammelled until early in last year, but since then they have been pursued and harassed by the executive committee. Books have been taken out of the management's hands, and the balance sheet prepared without them.

"The position of company was never better, because it has got rid of most of its sources of loss—specially Chandler Mill and a great number of its subsidiaries.

"I strongly recommend that you get together to protect yourselves."

SINCE THE DAYS OF DICKENS

LONDON.—Child & Company, the oldest private bank in England, and perhaps in the world, is to be absorbed by Glyn, Mills & Company, in accordance with the will of the eighth Earl of Jersey, senior partner, who died on Dec. 21.

Child's Bank was founded about the year 1560, has occupied the site of its present offices in Fleet Street ever since, and is full of historic associations. Oliver Cromwell, Samuel Pepys, Horace Walpole, the poet Dryden, Charles II., and his famous favorite, Nell Gwyn, were among the many prominent figures who had accounts at the bank, which is identified with "Tellson's" in Dickens' "Tale of Two Cities."

Carload Orders From One Advertisement

One paint and varnish manufacturer (name on request) stated: "We have one account, a carload buyer, who placed his first order with us as a result of one of our ads in HARDWARE AND METAL over 16 years ago and he is one of our best accounts to-day. This one account alone pays us handsomely for our yearly advertising in HARDWARE AND METAL." This advertiser uses from 26 to 52 full pages each year and never misses our Annual Spring and Fall Buying and Directory Numbers issued in March and August.

If interested in the Canadian hardware trade, you will be interested in a booklet entitled "What the Canadian Hardware Trade Has to Say Regarding HARDWARE AND METAL."

Hardware and Metal

MEMBER A.B.C. MEMBER A.B.P.

Canada's National Hardware Weekly Since 1888

143-153 University Ave., Toronto, Canada

Acreage planted to cotton in India for the 1923-24 crop was 22,941,000 acres, against 21,792,000 the year before. Crop was 4,219,000 bales of 478 pounds net, compared with 4,247,000 the year previous. Even when the demand for cotton is keen, market for Indian is slow. It produces quantity but not quality. An attempt is being made to encourage production of longer staples, but the native farmers are slow in making any changes in their method of cultivation.

The Subscription List closed May 8th, the issue having been fully subscribed.

NEW ISSUE

$2,500,000

St. Lawrence Paper Mills Limited

6½% Twenty-Year Sinking Fund Gold Bonds

Dated March 1st, 1924. Due March 1st, 1944.

Principal and semi-annual interest (March and September 1st) payable at the holder's option in Gold at the Bank of Montreal, Montreal and Toronto, or at the Agency of the Bank of Montreal in New York City, or in Sterling at the Bank of Montreal, London, England, at the fixed rate of $4.86 2-3 to the £ Sterling. Redeemable in whole or in part on any interest date on Sixty days' notice on or before March 1st, 1934, at 105 and accrued interest; thereafter up to and including March 1st, 1939, at 102½ and accrued interest; and thereafter the redemption price shall decrease by ½ of 1 per cent per annum until maturity. Coupon bonds in denominations of $1,000, $500 and $100, with privilege of registration as to principal or as to principal and interest. Further bonds may be issued only to the extent of 66 2-3 per cent of cost of additions or extensions, and then only when the net earnings for the previous fiscal year, after depreciation and sinking fund, amount to not less than twice the interest charges on the bonds issued and to be issued.

TRUSTEE: ROYAL TRUST COMPANY, MONTREAL.

CAPITALIZATION

	Authorized	Issued
First Mortgage 20-Year Sinking Fund Gold Bonds (this issue)	$7,500,000	$2,500,000
8% Cumulative Preferred Stock	2,500,000	2,500,000
Common Stock, Shares of no par value	50,000 shs.	50,000 shs.

THE COMPANY

The St. Lawrence Paper Mills, Limited, incorporated under the laws of the Dominion of Canada, has constructed at Three Rivers, Que., and placed in complete operation a modern Newsprint Mill.

This mill has been erected under the supervision of competent engineers and is of the most modern design and construction. Located on the water front at Three Rivers, it is well situated both from the point of view of handling raw materials and accessibility to newsprint markets. It contains two newsprint machines of 75 tons daily capacity each; a total of 150 tons per day, or 45,000 tons per annum.

TIMBER RESOURCES

The timber resources of the Company consist of 789 square miles of leasehold timber lands located on the St. Jean and Magpie Rivers, Saguenay County, Quebec. These limits are estimated to contain a minimum of 2,000,000 cords of pulpwood, which, at the present rate of consumption, represents a 40 years' wood supply. These limits are not being used, but are being held as a reserve.

The Company has entered into a contract with Messrs. John Breakey, Limited, Lumber Manufacturers, for a supply of 1,000,000 cords of pulpwood, delivered at the rate of 50,000 cords per annum. The limits which are owned by Messrs. Jno. Breakey Limited, are located in Beauce County, and are regarded as one of the finest stands of spruce in the Province of Quebec.

SECURITY

This issue is secured by a First Mortgage, on all the real and immovable assets of the Company now owned or hereafter acquired, and a floating charge on all other assets of the Company.

Total assets as at February 29th, 1924, as certified by Messrs. P. S. Ross & Sons, Chartered Accountants, amounted to $5,381,467.84.

VALUATION OF ASSETS

Timber Property	$1,234,656.26
Newsprint Mill less Depreciation Reserves	3,404,965.44
Net Working Capital	741,846.14
Total Assets	$5,381,467.84

EARNINGS:

The plant was placed in operation July, 1923, and its efficiency was immediately demonstrated by the profits realized.

Net earnings for the eight months ended February 29th, 1924, after allowing for depreciation, amounted to $408,785.00
or at an annual rate of 613,176.96

Annual interest charges on this issue amount to 162,500.00

Current Earnings are therefore at the rate of Three and Three-quarters Times Interest Requirements.

As production is gradually being increased, the earnings of the Company, after depreciation are estimated at $650,000

An arrangement has been entered into with the St. Maurice Sales Co., Limited, for the sale of the Company's output. This year's production has been practically all disposed of under contracts with several of the larger Publishers in the United States and Canada.

The Management is in competent hands and the Directors and Associates have invested in excess of $2,500,000 in securities of the Company ranking junior to this issue.

These properties have been favourably reported on by Messrs. Hardy S. Ferguson, of New York; H. S. Taylor of Dayton, Ohio, and John Stadler, of Shawinigan Falls (formerly of Belgo Canadian Paper Co.) and the books and accounts have been audited by Messrs. P. S. Ross & Sons. These reports and audit are on file at our office.

All legal details in connection with this issue have been approved by Messrs. Lafleur, MacDougall, Macfarlane & Barclay, and Mr. E. R. Parkins, K.C.

Price: 99 and accrued interest to yield about 6.60%.

Accompanying these bonds are warrants entitling the holder to purchase on or before September 30th, 1924, at $20 per share, two shares of common stock, for each $1,000 par value of bonds held.

Orders may be Telephoned or Telegraphed at Our Expense.

NESBITT, THOMSON & COMPANY
LIMITED

305-7 Bank of Hamilton Building, TORONTO

MONTREAL HAMILTON LONDON, Ont. WINNIPEG

The information and statistics contained in this circular while not guaranteed have been obtained from sources we believe to be reliable and on which we acted in purchasing these securities.

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MILLING INDUSTRY HELPS TO ARIGHT TRADE BALANCES

New High Point in Flour Shipments is Reached

EARLIEST INDUSTRY

From Canada's First Business Enterprise, Flour Milling Has Grown to Big Industry

From Our Own Correspondent.

MONTREAL.—The importance to Canada of the large increase in the exports of wheat flour lies not only in the effect it has in improving Canada's balance of trade, but also in the fact that the larger export shipments make possible a more extensive use of the country's great milling capacity. One of Canada's chief problems is the over-built condition of many of her industries; particularly in iron and steel; in cement production; in textile production, and, in fact, in most basic lines. In the great exporting industries, where our sales to other countries are growing, this over-built condition is not so apparent. The flour milling industry, for instance, has a capacity beyond the present output, but not to any disturbing degree.

Growth in Flour Exports

Canada's flour exports have been climbing by leaps and bounds, the fiscal year just closed providing a new high point in shipments. Measured in barrels, the shipments of wheat flour from Canada in the past twelve years have been as follows:

Exports of Wheat Flour

	Barrels
1913	4,478,043
1914	4,832,183
1915	4,952,337
1916	6,400,214
1917	7,425,723
1918	9,931,148
1919	9,205,439
1920	8,863,068
1921	6,017,032
1922	7,414,282
1923	10,227,060
1924	11,714,929

Measured in terms of selling value the 1924 record was below some previous years, but only because wheat flour was bringing less than the peak price. Nevertheless, the cash value was important in its relation to the total trade of Canada and placed milling close to the top among Canada's important export manufacturing industries. The value of wheat flour exports for the past twelve years has been as follows:

Value of Wheat Flour Exports

1913	$19,970,689
1914	20,581,079
1915	24,610,946
1916	35,767,044
1917	47,473,474
1918	95,896,492
1919	99,931,659
1920	94,262,928
1921	66,520,490
1922	53,478,150
1923	60,075,426
1924	62,783,118

Exports Largest Part of Output

With export shipments of close to 12,000,000 barrels a year, Canada is now shipping over three-fifths of its total wheat flour production to other countries. In 1922, the last year for which definite figures are available Canada produced 17,800,000 barrels of wheat flour, one barrel being 196 pounds of flour. This figure is running very close to 20,000,000 barrels at the present time. This large quantity of flour represents a very substantial consumption of the wheat produced on Canadian farms. More than 80,000,000 bushels of wheat were milled in Canadian mills in 1922, and the large quantity of flour now being produced would require probably 90,000,000 bushels of Canadian wheat to produce.

Wheat flour is, of course, the most important product of Canadian flour and grist mills. There are 1,364 of these flour and grist mills in Canada extending from coast to coast, with Ontario producing more than half the total output The importance of wheat flour in the general scheme of things is indicated by its high ratio of $112,000,000 of the gross milling output of $167,000,000 in Canada in 1922.

Capacity 40,000,000 Barrels

The flour mills of Canada have a daily output of capacity of 134,152 barrels a day. This is about 40,000,000 barrels a year, figuring on a 300-day year, which, at first glance, gives the impression that the flour mills of the country are on a half-time basis But, in addition to wheat flour, many other products come out of the mills including feeds, oats, corn and pea products, etc. A better indicator of the relation of production to capacity is the fact that in 1922 the flour and grist mills worked a total of 86,000 days on full time and 17,500 hours on part time, and during 28,000 hours they were idle. Even this figure is unfair, for in localities where the large merchant mills are to be found the full-time operations were much more extensive.

The large merchant mills, as distinguished from the smaller grist mills, account for about 115,000 barrels a day, although they number only about 160 in all. Included is one mill of a daily capacity of 14,000 barrels of flour a day in Montreal. This is the largest mill in the British Empire.

Milling Our Earliest Industry

The capital invested in the milling industry in Canada totals $65,000,000 representing a great growth since the days when Canada was given its very first manufacturing plant by the establishment of a grist mill at Annapolis Royal in 1605 by early settlers. This early grist mill had the first water wheel turning a grindstone on the North American continent.

Let the Speculator Beware

Here is the story—unfortunately all too true—of a little tragedy of the "street." During the days of 1919 when the market started its recovery from the period of depression, brought about by the break of the bubble of post-war industrial deflation, two grocery clerks in one of the smaller Ontario cities got a tip to buy something—it does not make much difference, and it did not make much difference, what, because everything was on the rise. They made money. "How long has this been going on?" they inquired of themselves and proceeded to put their profits back in and their savings also. And still the market went on up and the marginal tradings were very satisfactory—very.

Passing quickly this happy period of our story, we find the two grocery clerks the possessors of about $50,000 of good money, and some ideas, which were not so good, about how to make more. They resigned from their lowly duties and departed for the big city so as to be able to get a "close-up" of the financial machine and see for themselves the results of their operations as they came in on the tape. They went to the office of the rather conservative investment house which had been handling their business. They were disappointed. True, there were tickers, but there was no big board and none of those luxurious lounge chairs which they had come to expect as part of the "business." They were also disappointed in their brokers because they advised that they place the bulk of their funds in dividend-bearing investments which would show them a reasonable return on their capital, or that in any event they should buy outright if they wanted to speculate or at least provide a very wide margin with a capital reserve to see them through a slump.

They evidently thought, these young Napoleons of finance, that someone was trying to keep them from sharing in the big profits of the great financial game about which they had learned so much. So they changed their brokers. They went where they could loll in easy chairs, watch the board, and hear tips and gossip and where there was no discouragement to their ambitious operations on margin.

Of course, the reader is ahead of the writer by now. He knows what happened in this case—and what happened in this case has happened in so many cases. The ambitious fortune builders went broke so flat that they did not have enough money to get back to the home town. When the market bumped they were wiped out. They had gambled all and lost all.

There are many such stories of the street. And surely from the mistakes of others there is a lesson to be learned. It is not necessarily the lesson that "ye shall not speculate." It is the lesson to employ judgment and caution in making investments of a speculative character. Nothing should be employed for speculation which the investor cannot afford to lose. Then care should be taken in the selection and study given to conditions not only bearing on the particular investment but on security prices generally. Further, stocks should not be traded on margin unless the investor has funds to cover in the event of a slump.

Conservative bankers and brokers will offer this advice with regard to speculation: "Don't; but if you do, at least take advantage of available safeguards."

Pulp and Paper Securities

U.S. MILLS ADMIT EMBARGO WOULD MOVE THEM HERE

Canadians are Apathetic Towards Embargo, but the Americans Are Busy

From Our Own Correspondent.

MONTREAL. — Canadians seem very apathetic regarding the proposals to prohibit export of pulpwood from Canada. U. S. paper men are far from that. Perhaps it is because of the definite interest of the American manufacturers and their fight against the embargo that no action toward putting it into effect has yet been taken.

How American paper makers feel about it can be seen from this extract from the International Paper Company's annual report: "A still even greater danger menacing the mills of our country is the proposal now under consideration in Canada to prohibit the exportation of pulpwood to the United States from privately owned lands. If this is put into effect, the Canadian farmers and holders of forest lands and this company, owning certain lands in fee, will be prohibited from bringing a cord of wood into the United States, although they have the right to cut and sell and use in Canada."

The reference to a "danger menacing the mills" of the U. S. will indicate to Canadians the importance of Canadian wood to American mills. Without Canadian wood, many U. S. manufacturers would have to move to Canada. As E. D. Post, publisher of an American paper trade journal, said in an address last week, "we don't know what minute we may be cut off from our wood and have to move up into Canada."

Looks For Export Tax

Mr. Post, by the way, indicated that U. S. mills are expecting an export tax on pulpwood, rather than a complete embargo. He said: "The pulp mills in the North must depend upon Canada for the bulk of their pulpwood. There is agitation in Canada right now for the passage of a bill to prohibit the exportation of pulpwood into the United States. If this bill does not go through, an effort will made to have an export tax placed upon wood by the Canadians.

"When I was up there in January, to the Canadian Pulp and Paper Association, they spoke on that very point; they said: 'We don't want an embargo, but we want to put five dollars a cord stumpage on every bit of wood, not only on that that goes into the United States, but on that that goes to the Canadian mills, so it will be fifty-fifty, on an equal basis.' They claim we are cutting their wood off too fast, and they are getting no money for their wood resources."

The report of the Royal Commission on the embargo is expected some time this month. As the bulk of the witnesses brought before the commission were U. S. paper people or those selling to them it is hardly anticipated that the commission will recommend an embargo. Unless Canadian public opinion on the question becomes more definitely crystallized and more forcefully expressed for the embargo, no action is likely to be taken by the government to stop the wholesale export of Canadian trees to feed American paper machines.

In the meantime, we can lament the fact that American mills got 1,444,000 cords of Canadian wood in 1923-1924 for which Canada received $14,323,000 instead of the $75,000,000 or so that the same wood would have been worth made into paper.

Thomas Brown, who has been deputy minister of mines for Nova Scotia, is reported to have tendered his resignation. He is said to have expressed a desire to be relieved of the post as soon as a successor can be found.

No Word Yet Concerning St. Maurice Bond Issue

From Our Own Correspondent.

MONTREAL.—When the new bond issue, to provide for the installation for two new newsprint machines of the St. Maurice Paper Company, Cap Madeleine, Que., will be forthcoming is not known as yet. As President M. B. Wallace stated at the annual meeting that he expected the machines would be ready for operation early next year, it seems likely that the financing plans will soon be completed. One shareholder expressed the hope that the bonds would be put out entirely in Canada. It is probable that the bonds will be non-convertible. The St. Maurice Co., like the Laurentide Co., is a company with no bonds or preferred stock. As a result of the splendid feeling created at the annual meeting and the clearing away of many points about the company regarding which shareholders have been in doubt, the common stock shares have been commanding a higher figure.

Riordon Profits Are Meeting Serious Charges

By Staff Correspondent.

MONTREAL.—Since the appointment in the Canadian courts last November of a liquidator for the Riordon Co., Limited, the conduct of the business has been continued, with the approval of the court, under the arrangements previously in effect by which the operations are subject to the supervision of the bondholders' committees.

While at the present time the demand for bleached sulphite pulp does not equal the supply, supplemented as it is by increased importations from abroad, the Riordon properties continue to show an operating profit. During the 1923 year all current interest accruals upon working capital indebtedness were paid, as was the interest on the purchase money mortgages on timber limits, as well as the interest on certain other accrued loans.

The balance of the earnings would have been approximately sufficient to cover the interest on the company's bonded debt, but has been applied toward necessary increases in working capital and in reduction of senior charges, the payment of which was imperative.

This information come from Boston where two of the company's bond issues were sold.

Finland Cannot Meet Canadian Pulp Prices

From Our Own Correspondent.

MONTREAL.—We hear a lot these days of competition for Canadian pulp and paper from Northern Europe That competition from Finland at least should not be an important factor seems evident from the statement from that country that among the more important causes of the continued depression in the Finnish pulp and paper industries throughout 1923 were the acute competition from German manufacturers, the increased production of Canadian mills, and the lack of a Russian market. The general economic and political conditions in the various Western Europe countries also directly affect the Finnish pulp and paper industries, since these countries take the bulk of the Finnish exports. During 1923, the steady depreciation of the German currency enabled the German mills to underbid Finnish manufacturers, but this situation has improved with the rise of production costs in Germany and it is believed that German manufacturers will find it impossible to maintain their extremely low quotations. It is now feared, however, that the improvement in regard to German competition will be offset to a large extent by the dissolution of the Norwegian-Swedish Newsprint Corporation, which leaves the field open for keen competition among the Scandinavian mills, and this in turn is likely to affect the Finnish industries. At the end of 1923, the chief difficulties confronting the pulp and paper industries were felt to be the lower costs of production in the competing countries—Canada, the Scandinavian countries, Austria, Czechoslovakia, and Germany.

HOWARD SMITH

C. E. French, representing the Howard Smith Paper Mills, Montreal, recently returned from an extended business trip through South America, Mexico, the West Indies, Cuba and other countries. He says that he found business conditions only fair but he secured very good orders for his firm in standard, mill grade watermarks, blotting, bristols and patent coated folding box board in most of the countries that he visited.

ALBERTA MINE TAX ACT IS DISALLOWED

Ottawa Upholds Contention of C.P.R. and Hudson Bay Co. That it is Ultra Vires

From Our Own Correspondent.

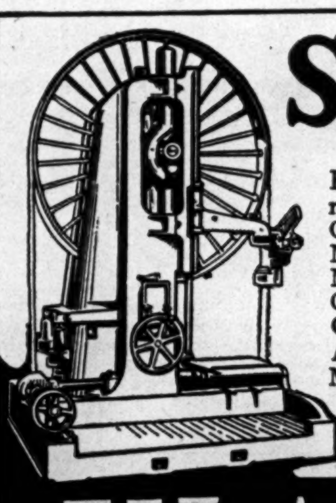
CALGARY.—Satisfaction is expressed at the decision of the governor-general in council disallowing the Alberta Mineral Taxation Act being placed on the statute books, holding it to be confiscatory and ultra vires as set out in the petitions of the Canadian Pacific Railway, the Hudson's Bay Company, and other large land owners in the province of Alberta. Premier Herbert Greenfield and Hon. J. E. Brownlee, attorney-general, are much concerned at Ottawa's action, as they were confident that the act would have been upheld.

As already mentioned in THE FINANCIAL POST, the act was a complete failure from the point of view of collections. The government estimated last year that it would receive as income under it the sum of $300,000. Collections actually totalled $9,097.37. Even in the fact of this the provincial government again this year included the sum of $400,000 as estimated revenue from the act. The government will now have to re-budget on a basis of $400,000 short of its original estimated revenue, or extend its estimated deficit for the year by $400,000.

Financial men, and people having financial interests in the province, will welcome the action taken by the governor-general in council.

COMFORTS FOR THE TOURISTS

NELSON.—Rossland is offering its motor tourists this year all the comforts of home, including hand-ball courts, chutes and swings, which are being installed in an extension to its auto parks.



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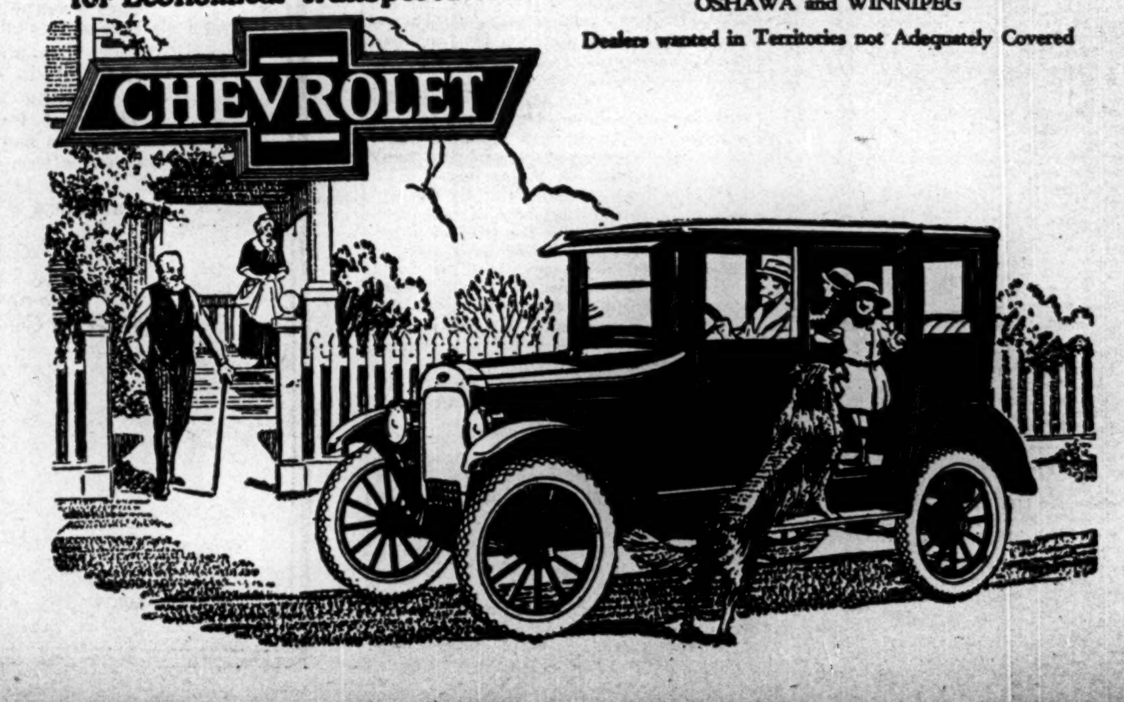

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P. E. I. FOX INDUSTRY

SUMMERSIDE.—Not since 1914 has the famous Prince Edward Island black fox industry enjoyed such activity as this spring. Breeders are receiving a good price for the better grade breeding foxes. The highest priced silver fox-skin at the recent London sales was the property of a Summerside rancher, and the world's champion silver fox, winning all of the sweepstakes at the Boston show, was also the property of a Summerside company.

Investors Losing Confidence in the Textile Securities

This is an Unexpected and Deplorable Feature of the Exaggerated Pictures Being Painted of the Conditions in the Industry

From Our Own Correspondent

MONTREAL.—The various textile stocks have again been sagging, and most of them are selling well below the average price level of 1923. This has applied to the securities of the textile companies in all lines; the cotton cloth makers, such as Dominion Textile, Canadian Cottons, Montreal Cottons and Wabasso Cottons; the woollen textile makers, such as Canadian Woollens; the knit goods manufacturers, such as Penman's and Monarch Knitting, and the manufacturers of finished products, such as Canadian Converters and Tookes. Depression in the textile industry is the reason given for the decline, but it may be that many investors will become unduly alarmed and sacrifice their holding of textile stocks at less than intrinsic value if the real strength of the industry's position is not recognized by them.

Despite the difficulties of high cotton prices; much foreign competition: restricted buying by wholesalers and such points that have been emphasized over and over again, the textile industry as a whole is in a sound condition in Canada, as a result of the excellent ploughing back of earnings in more prosperous years. With the possible exception of the companies manufacturing such lines as woollen suitings, overcoatings, tweeds, etc.—Canadian Woollens and Paton Manufacturing Company are in this class—the competition from abroad has not been a much greater factor in undermining the home market than it has been in the past.

As a matter of fact, it is good business for the textile companies at the present time to give an impression of hard times, for it strengthens their case for consideration in tariff adjustments. But if in doing so they are shaking the confidence of the holders of their securities they are perhaps going further than anticipated. And yet the movement of the market prices for the textile stocks seems to indicate some weakening of investment confidence.

Companies are Strong

Most of the textile companies have large reserves; strong working capital positions: properties written down to less than replacement costs: and such intangible but important factors as establishing marketing connections: sound management, and a growing home market.

One brief for the Canadian woollen industry states its chief troubles as follows:

(1) The Uniter Kingdom is the principal competitor in the Canadian market.

(2) The customs tariff on woollens imported under the preferential rate was lowered some 3 to 5 per cent. by the increases in the British Preferential enacted in 1922 and 1923.

(3) Importations of staple woollen goods from the United Kingdom have shown a tremendous increase during the past year.

(4) The depreciated value of the pound sterling and continental currencies reduces the protection apparently afforded the industry under the present tariff by fifty to seventy-five per cent.

This memorandum says that the ruinous competition of British-made goods on the Canadian market has resulted in great loss to Canadian industry, and the writer of it adds:

"Never before in the history of Canada have importers had such a bonanza. They are flocking to England in droves to buy woollens and they are receiving every possible encouragement from British woollen exporters in the way of terms deliveries, etc. They are not doing this because of any great desire to help the Canadian consumer. They are simply taking advantage of a favorable turn in international commercial conditions. Generally speaking their chief purpose is to only slightly undersell the Canadian made products. Very often an inferior imported article is substituted. At any rate British woollens of all kinds are flooding this market just now.

"Scores of British mills that never thought of the Canadian market before are now represented by selling agents in this market. Montreal, Toronto, Winnipeg, Vancouver and the other principal cities have noted the great increase during the last year or so in the number of these agents. Every salesman has a few friends and each one of these agents is picking up more or less business. They pay a business tax in the city in which they are located, and income tax, but the firms they are representing are not paying municipal, provincial and federal taxes in Canada and no business tax is being paid by them in Canada on the basis of the business they are doing here. The goods they are selling here are displacing Canadian labor and Canadian capital. Canada is consuming as large a quantity of woollen goods as ever, but we are not getting the benefits from the production of these woollens we should and Canadian consumers are not paying any less for their woollens than they would if they were being made in Canada."

Conditions Not Entirely New

This is a dire picture, and there is a great deal of truth in it. The cotton textile industries have not had anything like as serious conditions by any means. But while there is some truth in the picture, it overlooks many things. First, there is the fact the development is not entirely a recent one. Those pioneer Canadians who have tried to build up a strong woolen industry in this country have always had the factor of British competition to contend with. It was expected by them from the start. It is not a new terror. Similarly with the cotton industry.

Another important thing for investors in the textile securities to remember is that the increased importations that are talked of have been greatly exaggerated. Complete trade figures for the fiscal year to March 31, 1924, indicate greatly increased importations in only one line of textile goods—tweeds and such cloths, to which reference has been made above. The actual figures of importations in the chief cotton and woollen lines for the past three years have been as follows:

		1922	1923	1924
Cottons				
Cotton yarns	lbs.	3,280,494	3,853,443	3,220,716
Bleached fabrics	yds.	9,582,472	11,143,215	10,079,893
Dyed fabrics	yds.	37,053,025	43,163,243	40,309,909
Printed fabrics	yds.	15,456,467	15,332,503	11,544,998
Woollens				
Woollen yarns	lbs.	2,093,516	3,401,211	3,283,700
Dress goods	sq. yds.	3,917,642	5,132,410	5,788,875
Tweeds	yds.	1,925,303	3,568,098	4,315,435
Worsteds	yds.	6,053,591	7,763,661	7,522,959

The figures do not provide the "scare" that many observers have seen in them.

It is doubtful if this is a time to sacrifice textile securities.

ADOPTION DAWES' PLAN WOULD HELP BESCO ORE SALES

Company Has Already Received Large Orders From Ruhr

From Our Own Correspondent.

MONTREAL. — British Empire Steel Corporation stands to benefit materially should the Dawes scheme of reorganizing Germany's financial status be put into effect. British Empire Steel had an important market for iron ore in the Ruhr prior to the seizure of that district by the French, but has been unable to ship ore there on a satisfactory basis since the French occupation. Should an early compromise be agreed upon between the nations of Europe for the adoption of the recommendations of Gen Dawes and his colleague-experts Besco would regain the lost market at once and could ship half a million tons of ore to Europe this season.

Already there is some evidence of improved credit and transportation conditions in Germany, for Besco is now preparing to fill an order from Germany for delivery of 300 000 tons of Wabana ore. Another order recently received was for 110 000 tons of iron ore for British firms.

Big Amount in Hand

The Wabana ore mines will continue to run at their present capacity of 700,000 tons annually regardless of the demand either for local or export use.

There are at present 900,000 tons in the stock piles at the mines, the result of operating to give unemployment relief during the past years, and with this supply to draw from no production increases will be necessary in order to meet all requirements.

There has been a general slump in the ore trade, and prices have dropped in all markets. However, the closing of the German contract will ensure a steady and profitable summer for the Wabana ore fields.

Rail Order Received

After having been busy for some months rolling 25,000 tons of 100-pound rails for the C. N. R., the Besco rail plant will be idle for a few days while the rolls are being changed to permit of the production of 30,000 tons of 85-pound rails, which constitute the balance of an order received from the National lines toward the close of 1923. There is said to be another rail order on the books to keep the mills busy when this one is exhausted, but the details have not yet been announced by Besco headquarters.

Attention is again called to the demand for Canadan steel products in distant Empire markets, by the sailing from Louisburg of the S. S. Tremeadow, which is carrying fencing and other wire products to far off New Zealand. She carries about 1,000 tons of Sydney steel.

NEW ILLINOIS POWER AND LIGHT PROSPERS

Big Increase in Earnings Shown By First Report of New Company

From Our Own Correspondent.

MONTREAL.—The new Illinois Power and Light Corporation brings out a rather reassuring and optimistic annual report for 1923. This is the first report of stewardship of the new McKinley-Studebaker interests who took over the Illinois Traction Company and joined it with a number of other smaller concerns in May last to form the Illinois Power.

There is still a considerable Canadian following for this company, as many Canadian shareholders of Illinois Traction took shares of stock in the new company for their holdings and others purchased portions of new issues of securities that were made.

In his remarks to shareholders President Clement Studebaker, Jr. states that: "The coming year promises to be one of continued progress. While sufficient time has not elapsed to bring results from many recent capital investments and some of those projected will not be completed this year, your directors confidently expect good returns from all divisions of the company."

Under the revised conditions, the income from the properties in 1923 showed a substantial increase over previous years, gross being 11.4 per cent. and net 24.6 per cent. greater than in 1922, the largest previous year. Gross earnings from operations amounted to $27,930,854. Expenses and taxes required $18,811,807 leaving net earnings of $9,119,047. After deducting fixed charges, $4,356,296; depreciation, $2,000,000: dividends on preferred stock, $1,358,330: and after adding adjustment of prior year's dividends from subsidiary companies, $30,537; the balance available for dividends on common stock amounted to $1,434,957. This is equivalent to $3.58 per share on the 400,000 shares of no par value common stock. A dividend of $1 per share was paid during the year, requiring a total of $400,000, and the balance of $1,034,957 was carried forward as surplus.

The steady growth of the earning power of the companies, comprising the corporation may be judged from the following comparative table showing gross earnings, operating expenses, including maintenance and taxes, and operating net income for the past three years:

	1923	1922	1921
Gross	$27,930,854	$25,064,611	$23,499,883
Exp.	18,811,807	17,746,168	17,066,428
Net	$ 9,119,047	$ 7,318,442	$ 6,433,454

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Tales of the Mining Camp Fire

The camp fire is the "Club" of the North. Around the pine coals, story telling has become a fine art. Accuracy and veracity are of less value than a good tale. Of all the "Raconteurs" of the North, old Louis Remo, the trapper of Lightning River, is perhaps the most famous.

"Louis," asked a wizened old prospector, "was ye ever chased by a 'bar'?"

"Me? Chased by a 'bar'?" snorted Louis as he expectorated on a hot coal, "and I was that! I mind onc't, back on the 'Hurricana,' I was out picking blueberries—blueberries, mind ye; when a she 'bar' tuk atter me.

"Well, she chased me around—and around—and around; till the only way I cud git away from that she 'bar' was to run out on the ice."

Louis paused. Five shadowy figures waited in silence for the conclusion of the tragedy.

It was the voice of the smart tenderfoot, that piped up, "But, Louis, you were picking blueberries! How could you run out on the ice?"

Louis eyes sparkled, and a wet pipe stem was pointed at his victim. "I'll have you understand, young fella' that that there she 'bar' chased me from June to January."

"No," declared Louis, emphatically, "they aint no prospectors in Heaven!"

It was a pronouncement sufficiently alarming to deserve our notice, but we knew better than to interrupt. Louis' remark was a bid for silence, so we settled our backs more comfortably against the log and waited.

"Seems as how one old prospector tapped at them pearly gates with his pick," Louis explained.

"'Hi,' says St. Peter, 'what do you want here?'

"'I wanta come in,' says the prospector.

"'Well, ye can't,' says St. Peter, angry like, 'we got enough of you prospectors here now. They're tearing up the golden streets and they're stealing the haloes offen all the angels and they're playing hob with the place—go'long with ye.'

"'Say,' says the prospector, 'you just let me in. I'll get rid of all them fellers for you.'

"So St. Peter opens the gates and when the prospector got in, he got all them other prospectors about him and he says, 'Boys,' he says, 'have ye heard the noos? They's a big strike been made down in Hell—sure, old Dan Spiggs he's staked out three claims and he'—but them prospectors didn't wait to hear no more, they just all 'cached' their haloes and beat it out of the pearly gates."

Again Louis paused. Even the tenderfoot refrained from cross questioning.

"An' that there last prospector," Louis explained carefully, "when he seen all them other boys beating it off to Hell in such a hustle, he got to figuring. And purty soon he says to St. Peter, 'I dunno, Pete, mebbe them beggars will find somethin', guess I'll git too.'"

MINING NEWS FOR THE INVESTOR

LIGHTNING AREA PROMISES A BIG BOOM THIS YEAR

Jack Hamil's Operation Important — Abitibi and Others Plan Activity

With the coming of the spring break-up, important news of recent developments in the Lightning River Gold Area is coming in. The entire district is astir with activity. The rich discovery of Abitibi Mines in 1922 brought to light the possibilities in Lightning River and led to the present activities. Important developments are pending on this. Another outstanding property is the Harker Gold Mines which is amply financed by Jack Hamil and a group of New York capitalists. Complete mining machinery has been sent in to sink to one thousand feet, while Smith and Travers have two diamond drill outfits on the property on a five thousand foot contract. The shaft has been sunk fifty feet by hand steel, and last week the mining plant was started preparatory to sinking to five hundred feet.

The Imperial Reserve Mines, Limited, which lies a short distance west of the Abitibi Mines, has a crew of men stripping and trenching. It is understood the company has sufficient funds on hand to carry on an intensive underground development campaign which will shortly be started. The Mining Corporation also has a crew of men at work on a group of claims which is thought to be a continuation of the strike of the Abitibi Mines.

Great Activity Reported in Gowganda District

Great activity is going on in Gowganda and Elk Lake silver districts. The boom that has been on the horizon for some time is about to break, evidently. Activity is spreading throughout a number of townships and many old properties, partially developed in the early days of the camp, are being taken up. Victoria Syndicate is taking up large groups, including Walsh, Hart, Maxwell and Johnston-Hylands. They are reported after Morrison group also. U. S. interests are reported after Silver Bullion and Horace Strong is reported to have acquired Ribble claims.

MINING CORP. HAD AN EXCELLENT YEAR

South Lorrain Production Rather Surprising For First Year of Operation

Mining Corporation of Canada produced 2,060,449 ounces of silver last year, 727,115 from Cobalt and 1,333,334 from South Lorrain. The profit and loss account shows an income of $154,652 from mine operation, profit on investment and dividends from Lorrain Operating Co., the subsidiary handling South Lorrain properties. After paying expenses the balance forward was $46,685. The profit and loss account stands at $2,834,845.

The Cobalt properties production was somewhat of a surprise, inasmuch as it was thought that they were about through. However, indications are that they will provide a fair tonnage this year. The return from Lorrain was surprising inasmuch as the properties are only being developed. The corporation report states that the past year was its most inactive in looking over new properties since pre-war years. The reason for this is the fact that large commitments have been made in South Lorrain. The report states that one property was optioned in Herb Lake district. Since then, however, three others have been taken up.

ALBERTA'S COAL OUTPUT

EDMONTON.—More than two million tons of Alberta coal were sold to Canadian points outside the province of Alberta and to the United States during 1923, according to the annual report of the provincial department of mines. The total production of coal for the year is shown at 6.866,923 tons. Of this amount, 1,382,798 tons were disposed of for consumption in Alberta, 1,937,753 for other provinces and 83,557 tons in the United States. To the railways 3,110,121 tons were sold.

WILL DRILL VIPOND

A diamond drilling campaign is to be undertaken on the Vipond Gold Mines with a view to gathering as much data as possible as to the future of the mine. A complete study of possible resources is to be made before consideration of mill extensions is undertaken.

NEW ORE ON KEELEY

Additional rich ore has been opened up on the eighth level of the Keeley Silver Mines in South Lorrain. Shaft sinking to a greater depth is not being contemplated for the present.

PREMIER DIVIDEND

Premier Gold Mines in British Columbia has declared its first 1924 dividend of 8 cents per share, involving the distribution of $400,000. This brings the total paid shareholders up to $5,400,000.

CONIAGAS TAKES OPTION

Coniagas, of Cobalt, is reported to have optioned Christie claims in Lake Fortune, Quebec. The property is next the holdings of Arntfield syndicate.

Mining Market More Quiet Than Heretofore

The mining market has been even more quiet in the past week than heretofore. There have been but few flurries and these only for a few points. Mining Corporation took a spurt a week ago, moving up some 30 points but since then it has sagged back. There were some who thought there might be some action in regard dividends but seemingly such a probability is off for a time.

The announcement that Wettlaufer was to open was banked on by many as heralding a good rise in the market for this issue. They were disappointed as the change in price did not measure up to the fluctuations that have taken place in the past on rumors that something would be done.

All the big golds have continued weak. There is a rumor circulated that McIntyre will increase its dividend 5 per cent. This made no impression on the stock as yet. There seems no signs of a change. The best opinion seems to be that the market is over-sold, but there are absolutely no buying orders appearing.

ONTARIO WILL PAY IRON ORE BOUNTY

Will Go Ahead With Measure Even if Federal Authorities Refuse Aid

An adequate bounty for iron ore mined within the Province of Ontario will be paid by the province in event of the Federal Government failing to provide its portion of the bounty as it has been asked to do by the province. Hon. Jas. Lyons, minister of Lands and Forests, is the authority for this statement. He made it to his constituents at the Soo recently.

The bill as carried by the Ontario legislature provided for the payment of half of the bounty of one cent per unit and the other half cent to be provided by the Federal Government. The Ontario will made the bounty applicable to low-grade ores mined in Ontario and smelted anywhere or high-grade ores produced and smelted in the province.

Control of Moneta in Toronto Hands Now

Control of Moneta Gold Mines, situated next to Hollinger in Porcupine, is now in the hands of Toronto and English interests. New York control was lifted as a result of the recent battle for proxies, the Toronto interests winning out. The office will now be moved to Toronto. The new board consists of M. Stobie, N. C. Urquhart, J. Y. Murdock and Mr. Segsworth. D. M. Steindler remains as president.

HIGH VALUES ON BINGO PROPERTY

Assays on 300 and 400 Levels Show Gold Content Around $40

From Our Own Correspondent.

WINNIPEG.—Joseph Myers, managing director of Bingo Mines, is leaving England May 10 to visit the mine in Northern Manitoba. Bingo is located 100 miles north of the Pas and has been brought into much closer touch with the city in recent months. It is now possible under the best conditions to get an answer by telegraph and telephone from the mine within an hour. The mail service has also been greatly improved and mail arrives here from the Bingo and other mines in the neighborhood every week. The government is also building a road from mile 82 on the Hudson Bay railway to Herb Lake, a distance of eleven miles. A boat trip of eleven miles must be made on the lake before reaching the Bingo.

About 250 feet of work is now being done monthly and lateral work is now being done at the 100 foot, most of the earlier lateral work having been done at lower levels. Assays made on the 300 and 400-foot levels give values of $40.

At the Rex mine close to the Bingo 35 men are at work and there are four engineers on the job. The property is owned by the Mining Corporation of Canada. Recently the Mining Corporation took over the Hackett property north of the Bingo and are doing development work on the Kiski and Northern Manitoba. Large amounts of wood have been cut through the winter. The Bingo has cut wood for 200,000 feet of lumber. The machinery for the Bingo mill will be taken in over the ice next winter.

Newfoundland Syndicate Starts Work on Claims

Newfoundland Silver Mines Syndicate, owning five claims in the South Lorrain mining district, adjoining the Coralorrain Mining Company's property, has sent a crew of men under J. Beauchamp, a practical miner, into their camp to open up the property and do development work. They will put up camps and do trenching and stripping for the first month, and then sink a shaft on the most promising of the veins discovered. The geological formation on this property is excellent, closely resembling that of the Coralorrain.

DOME OUTPUT HIGHER

Dome production in April was $358,811, which is more than double the same month in 1923. March prodoction was $355,645, and February, $349,299. The average recovery per t n in April was a little over $9.

QUEBEC PROPERTIES ARE LOOKING WELL

Noranda Holdings in Rouyn Are Showing up Excellent Ore

Heads of Noranda Mines, exploring the Horne and Chadborne properties in Rouyn, Quebec, are pleased with the outlook. A substantial tonnage of high-grade copper-gold ore has been opened up on the Horne property. It is the intention to press development to add materially to the indicated tonnage before any consideration is given to the question of a plant. A vein 94 inches wide, giving average values of $9, has been uncovered on surface on the Chadborne, while another vein showing a width of 15 feet carries $15 values. Good values are found in the area between the two veins, 67 feet in all, showing in all an average of $5 per ton. A shaft is down 45 feet. Good results were achieved in the diamond drilling done.

Keora Property in Lorrain Promising

Keora is doing surface work on its property in South Lorrain. It was reported during the week that some silver had been found. The property is promising geologically. Three veins are showing on the property, a 24-inch calcite and quartz vein well mineralized enters from the northeast corner. A second vein five feet wide shows calcite, quartz and copper, while the Seymour vein shows a width of 5 to 6 inches.

GEO. BATEMAN WILL SUCCEED MR. NEILLY

La Rose Manager to be New Secretary of Ontario Mining Association

George C. Bateman, manager of La Rose Silver Mines, Cobalt, will succeed Balmer Neilly as secretary of Ontario Mining Association.

The appointment will be popular. Mr. Bateman is thoroughly known in the mining industry throughout the whole of Canada and particularly in Northern Ontario.

For some years Mr. Bateman has been an active member of the Canadian Institute of Mining and Metallurgy, of which he is now vice-president.

Mr. Bateman has been a close student of matters pertaining to the industry and enters his new post well equipped to do it justice. He will take office June 1.

MAY REOPEN BOSTON CREEK

Legal differences which have tied up the Boston Creek Mining property are reported to have been settled and the property may reopen. Control of this enterprise, which is located not far from Barry Hollinger, is in the hands of Buffalo interests. Some spectacular showings of gold were found on the property.

SILVER AND OTHER METALS

		6	7	8
London (P)	33¼	33⅛	33¼	33⅛
New York	64½	64¼	64½	64½
Copper	13¼	—	13⅜	13⅜
Lead	7.25	—	7.25	7.50
Zinc	5.75	—	5.80	5.80

Mining Stock Quotations

Week Ending May 6.

	High	Low	Close May 6	Close Apr. 29
Apex	2¾	2½	2¾	2½
Algonquin	1½	1½	1½	1½
Argonaut	52½	47	51	48½
Atlas	4	3	4	3¾
Baldwin	3¼	2¾	2¾	3⅛
Beatty	5	4	4⅜	4
Beaver	22¼	22	21½	22½
Bidgood	9	7½	8	8⅝
Buckingham	3	3	3	3¼
Can. Lorrain	42	40	40½	34
Capital	35	32	35½	34
Castle Tre.	76	73¾	74½	74
Clifton	14½	14½	14½	9½
Clifton, Con.	15½	15	15	15
Coniagas	1.90	1.85	1.86	1.99½
Cons. Smelters	34½	34	34½	34½
Cons. W. D.	25⅝	23	23	23½
Col. Kirkland	5⅝	5	5	6
Cr. Reserve	61	54½	60	54
Dome Mines	16.60	15.70	16.35	15.60
Dome Kirk.	⅝	⅝	⅝	1
Everett	9½	9	9	9
Gold Reef	1⅝	1½	1⅝	1½
Goldale	22	17½	22	17
Hattie	6¼	5	5⅛	6⅛
Hollinger	12.65	12.50	12.45	12.51
Hunton	10	8⅛	9½	8⅛
Inspiration	7	7	7	7
Indian	22	20	21	21⅝
Keora	9	7	8¼	7
Keeley	2.24	2.16	2.20	2.17
Kirk. Lake	22½	21	22	21
Lakeside	17	15	15	17
La Rose	12	10	10	12
Lake Shore	3.82	3.70	3.70	3.80
Lorrain, T. L.	1.38	1.30	1.32	1.30
Lorrain	13	12	12	13
McIntyre	16.20	16.00	16.05	16.21
McKinley	12⅝	12	12⅝	12¼
Mining Corp.	3.37	3.00	3.00	3.00
Moneta	19	17	16½	19¼
Montreal, Ont.	7	7	7	8
Newray	31½	30	30½	31
Nipissing	6.34	6.10	6.25	6.15
Night Hawk	66	65	65	65
Ophir	2⅝	2½	2⅝	2⅛
Pete. Lake	8	7⅝	7⅝	7⅝
Porc. Crown.	7	7	7	8
Preston E.	11⅝	11	11	11⅝
Rouyn	14	10	12⅝	10
Teck Hughes	1.25	1.14	1.18	1.14
Thomp.-Krist.	3⅝	3½	3⅝	4¾
Timiskaming	25	23	23	25
Tough Oakes	68½	66	67	67
Trethewey	13	12	12⅝	13
Skead	17¼	15¼	16	15½
Vickers	13	12	12	14
Vipond Cons.	1.15	1.03	1.08	1.03
Wasapika	2½	2½	2½	2¾
West Tree	4	3	3⅝	3½
Wettlaufer	27	23	25	22¾
Wright Har.	2.85	2.85	2.85	2.95
NEW YORK PRICES				
Inter. Nickel—Common	12¼	11⅝	12	12⅝
OIL COMPANIES				
B. A. Oil	34¾	33	43¾	32½
Imperial	105½	104½	104½	105
Inter. Pet.	19	18¼	18¼	19¼
Mutual	10⅝	10½	10½	11
North Star—Common	75	75	75	1.00
North Star—Preferred	3.65	3.65	3.65	3.60

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ROSSLAND IS AGAIN ON MAP; OLD MINES ARE OPERATING

Building of Concentrator Releases Smelter for Lower Ores

NELSON.—The famous old mines of Rossland, B. C., which up to ten years ago were the mining sensation of Canada are now firmly re-established in the limelight, and in the next six months will place that town again on the map as a mining centre.

The huge concentrator of the Consolidated Mining & Smelting company at Kimberley, built at a cost of $1,500,000, to handle Sullivan silver-lead ores, releasing the concentrator at the Tadanac smelter for Rossland shipments, now only awaits the order to be placed in operation. The company has reopened its Rossland mines; expects to make first shipments in the next fortnight, and in six weeks expects to have 500 miners employed.

Meanwhile gold of sensational values found on the famous old I.X.L. property, closed 10 years ago, has resulted in a number of other properties being reopened, and a number of important deals for properties are pending. The I.X.L. first shipment—merely an auto truck load—yielded each of eight lessees returns of $3,000 each. A few days ago it sent its second shipment, and the Bunker Hill smelter at Kellogg, Idaho, reports this the richest ore yet from the mine, ten gunny sacks being worth as high as $1,000 each. The ore was sent out under armed guard by auto, and then, for safety, was shipped by express.

A rich strike was recently made on an adjoining property, the O. K., where a large body of free gold was encountered.

Gold Drip Reopens

Immediately operations were resumed on the old Gold Drip owned by Mrs. Dr. A. L. McKinnon, of Lincoln, Neb.

The Consolidated plant and mines were recently inspected by the delegates to the annual convention of the British Columbia section of the Canadian Mining Institute at Trail, and the extent of the workings and new machinery and plant was freely commented upon as a first-class antidote for pessimism or "Whispers of death."

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Exchange

The United States until recently was the only country on a gold basis. Within the last few weeks, Sweden, a country with a higher price level than Canada and a gold reserve little superior to ours, is reported to have resumed gold payments. If Canada now took this action, she would be the first country actively engaged in the war from start to finish to do so. Her credit standing would be enhanced all over the world. Capital, ever apprehensive of the risk of exchange fluctuations, and rendered thoroughly nervous by the vagaries of European monies, would see in this country a safe haven for investment. This is one of the steps open to us at the present time which would tend decisively to advance us on our way towards progress and development, in the opinion of the Royal Bank of Canada.

NEW YORK FUNDS

	High	Low	Last Year High	Last Year Low
May 1 ..	1 19-32	1 17-32	2	1 15-16
May 2 ..	1 19-32	1 19-32	1 31-32	1 61-64
May 4 ..	1 19-32	1 19-32	2	1 31-32
May 5 ..	1 19-32	1 19-32	2 1-64	2
May 6 ..	1 5-8	1 19-32	2	2
May 7 ..	1 23-32	1 5-8	2 1-64	1 31-32

STERLING, FRANCS AND LIRE

	Sterling Demand	Francs Demand	Lire Demand
May 1	4.38⅞	6.50¼	4.48½
May 2	4.38½	6.46½	4.48¼
May 4	4.38¼	6.45	4.48
May 5	4.38½	6.50	4.49¼
May 6	4.38½	6.62½	4.50¾
May 7	4.38½	6.34½	4.47¾

Weekly Bank Clearings

(In comparison with same week last year).

Eastern Cities

	May 3. 1923	May 1. 1924
Halifax	$ 3.145.149	$ 2.497.811
St. John	2,481.520	2,599.673
Moncton	987.045	896.179
Sherbrooke . ..	969.229	761.942
Quebec	7.422.103	7.621.672
Montreal	115.433.373	128.629.085
Ottawa	8,278.248	6,782.202
Kingston	812.061	633.003
Peterboro' . ..	848.449	800.390
Toronto	117.220.889	109.705.105
Hamilton	6,276.923	5,004.351
Brantford	972.888	798.370
London	4.356.533	2,913.098
Kitchener	1.068.187	890.740
Windsor	3,647,802	3,627,159
Totals, East	$273,920,399	$274,160,780

Western Cities

	May 3. 1923	May 1. 1924
Fort William ..	739.909	822.802
Winnipeg	63,722.748	47,527.563
Brandon	605.569	451.282
Regina	3.675.604	2,882.933
Moose Jaw . ..	1.232.363	953.315
Saskatoon	1,517.913	1,499.921
Prince Albert ..	392,442	332.338
Lethbridge . ..	570.136	486.486
Calgary	4.524.477	6,927.378
New W'minster	685.456	757.828
Vancouver	15.964.575	15.998.469
Victoria	2,164,244	1,981,498
Totals, West	$ 95,795,436	$ 80,621,308

NEWS OF THE BANKS AND BANKING

IS DANGEROUS TO CASH CHEQUE ON ANOTHER BRANCH

One Manager's Experience —Now he Asks Tactful Questions

Recently in Toronto, at a downtown bank, a cheque was presented which was drawn on one of the bank's outlying branches. The manager, wishing to oblige the customer, phoned to find out if there were funds. Being so assured, he handed over $150. But. before the cheque went through the clearing house and was actually presented, the drawer had stopped payment. The transaction involved a deal in which one of the parties changed his mind. The manager of the branch cashing the cheque finally recovered the amount involved. but it took sixty days, during which period he had to be satisfied with notes. Now that manager is more careful. He does not refuse point blank to cash such cheques, but he makes some purposeful inquiries—he employs that store of tact which the successful manager must always have on tap. Take his handling of a case whereof I happen to know the details.

A customer brought in a cheque for $500 drawn on a branch in the West end. He took it to the teller. The teller had a clerk phone, and he confirmed that there was a balance to cover the amount. The teller then went to the manager for his O.K. Then came the manager's opportunity to use tact.

"This cheque is all right," he said to the customer, "but why not leave it on deposit " He was trying not only to protect himself but get a substantial deposit.

"Willing to do that if you can sell a fruit farm over Hamilton way for me," smiled the customer. "Otherwise I need that money to make a payment on the farm this afternoon."

"Then it is not a deal you have on with the chap who gave you the cheque?" continued the banker.

"No, he is making a loan to me on good security," was the answer.

The manager had thus secured information he wanted. It was not a deal which was likely to be upset before the cheque could be presented. And while this conversation had been going on the teller had called up the West-end branch again and secured from the manager particulars regarding the account of the drawer of the cheque which assured him that there was small probability indeed of payment being stopped.

At the same time the manager had taken the opportunity to explain to the customer where the bank stood in regard to such cheques. He made his story vivid by telling of his own experience with the $150 cheque on which payment was stopped, and which it took 60 days to collect.

On the basis of the information secured from the customer, and from the branch on which cheque was drawn, he felt justified in paying over the money. But, had he decided otherwise, he was in a position to gracefully refuse, because of the legal aspect of the proposal, and his own experience with the cheque on which payment had been stopped. He could have explained that a cheque is a demand order on the branch on which it is drawn and must be actually presented to be marked or surrendered in exchange for the money.

Managers may find it advisable at times, as in this case, to cash unmarked cheques when they feel fully justified by circumstances, but they are quite within their rights in refusing if they feel a reasonable doubt and they can do so without giving offence if they call on their reserve of tact. No customer should ask a banker to take unreasonable risks when the circumstances are explained —if he does, then there would seem to be all the more reason to refuse. In these times of slick methods the banker must guard against deliberate efforts to defraud in this way as well as the chance that the drawer might change his mind.—J. W. T.

Thinks Distant Fields May Appear Too Green

Editor, THE FINANCIAL POST,

Sir:—I have read the article in your issue of March 28, 1924, also a letter signed "Canadian" in yours of April 18, 1924.

The subject matter of these letters makes good propaganda for the executive officers—"powers-that-be"—of the local banks who have charge of the personnel. I do not think, however, the true condition of affairs in regard to staff in Los Angeles banks and the surrounding district, has been brought out.

Twelve months ago there were good opportunities here, it is true, for the trained banker, but I think that time has passed, temporarily, at any rate. It might be said there is always room for a good man, but at this time due to a very apparent slowing up of business, the banks are cutting down their staff wherever possible. I understand also they are flooded with applications from bank men in various parts of the country—not to mention those resulting from the failure of over 400 banks in the Middle Western States in the last few months. This figure was given me by an official of this branch.

At this time it would seem to me to be unwise for any Canadian holding a position, to come down here with the idea of bettering himself under present conditions. I know of a case of an ex-manager of a Canadian bank who was glad to take a post with a large bank here at a salary of $110 per month. He had difficulty in making a connection even at that figure. I believe there are many men who would be glad to return to Canada if they were assured of a decent living, for more reasons than I would care to put in this letter.

Yours very truly,

ANOTHER CANADIAN.

Managers Should Beware of Fake Letter-of-Credit

A fake letter of credit is being employed in a new game to take in the bank manager, and, sometimes at least, it works. Two smooth gentlemen entered a Queen Street branch of the Bank of Nova Scotia in Toronto a few days ago. On being admitted to his office one man introduced himself as "Mr. Bochner," and then announced his friend as "Mr. Untermier." The mysterious Untermier produced a letter, purporting to have been written by a rabbi, introducing the men and giving them character references. The man giving the name of Untermier said he was in Toronto looking for an industrial site. He claimed to be negotiating with several realty firms, the names of which he gave.

He asked the manager to advance him $1,000 on a letter of credit. After examining this document, an order was given by the manager for the money. The men presented the order at the teller's wicket, and, receiving $1,000 in cash, walked out. Inquiries made by the bank later on in the day, showed the letter of credit was a forgery.

A similar fraud was worked in Windsor and other cities in Canada during the past three months.

HOPE RAN HIGH IN KEEPING THE HOME BANK ALIVE

Evidence Indicates Need of An Outside Inspection

From Our Own Correspondent.

OTTAWA.—There was but little fresh matter in the testimony of Hon. T. A. Crerar, before the McKeown committee investigating the Home Bank. Counsel for the depositors and shareholders evinced keen interest in the sale of Home Bank stock held by Mr. Crerar and the United Grain Growers' Limited, but as the 1,000 shares held by the latter were sold to President Daly, who presumably was best informed on the affairs of the Bank, it could not very well be established that he was being taken in.

One of the surprising features brought out by the enquiry is the strong spirit of optimism that the Home Bank would in some way or other pull through all right that seemed to possess almost every one that had to do with its affairs. It did not matter how bad things looked at times, something kept turning up to put a silver lining on the cloud.

The Western directors wrote to Sir Thomas White, pointing out how badly matters were going, and yet after awhile they wrote him again saying that, owing to the improvement that had taken place, it was unnecessary to have an outside audit. Z. A. Lash was very seriously concerned over the situation, and yet when Sir Thomas White proposed to have the Bankers Association look into matters, he persuaded Sir Thomas that this was not advisable that an improvement had certainly taken place and that the future looked promising.

The grilling that Mr. Crerar got from T. A. Reid could not but bring home the lesson that a man should not consent to act on a directorate unless he is prepared to devote to it all the time necessary to the thorough mastery of its affairs.

As to Outside Audit

The examination of Mr. Crerar and Auditor Edwards also demonstrated clearly that an outside audit of a bank's affairs will disclose its true situation, and that it may be conducted without arousing public suspicion. What was done in the case of the Merchants Bank, the Bank of Hamilton and the Standard establishes this contention.

Another point of importance developed through the examination of Auditor Edwards was that the Home Bank would not have lasted as long as it did had it not been for the money of the depositors, which admission is being used to advantage by counsel for the depositors.

Frederick Burr, who has been manager of the Bank of Nova Scotia at Chatham for some time, has been transferred to Fredericton, to succeed William S. Thomas, who retires from the banking service early in May. Mr. Thomas spent more than forty years in the service of the Bank of Nova Scotia.

THE ADVANTAGES OF RETURNING TO THE GOLD BASIS

Would Improve Canada's Standing in Business World

The question of whether or not the Canadian government should or could resume gold payments in the immediate future has been discussed from various angles of late. For the most part, however, the interest shown in the question has been mainly academic. From a practical viewpoint the issue has implications which are definitely related to the future well-being of the Dominion, and an intelligent understanding of the question by the business public is urgent in order that the government may be induced to pursue the proper policy.

The most obvious advantage of an immediate resumption of gold payments is the stabilizing effect that such action would have upon business in general. Economists in various countries have lent time and thought to the question of the reorganization of European business, and one of the first questions has invariably been that of the stabilization of the exchanges. In one notable case, namely, that of Austria, stabilization has been achieved with strikingly beneficial results. Canada could stabilize the dollar with very little, if any, inconvenience, since her price levels are not phenomenally high, nor is her currency unduly inflated. That action has not already been taken in this direction is disappointing. Not only would internal business be facilitated by the change, but—and this is much more important—foreign transactions would be placed on a much more satisfactory and sound basis in comparison with the present necessity of protection in future transactions, not only against price changes, but also against exchange fluctuations. Regardless of the soundness of our finances, the Canadian dollar will continue to fluctuate in New York until gold payments are resumed.

Our Standing Abroad

A further and perhaps equally important advantage arising out of a return to the gold basis would be the improvement in our credit standing abroad. We are sorely in need not only of immigrants, but also of capital to develop our latent resources. The standing of Canadian investments has been somewhat jeopardized at times in the past by certain unfortunate experiences, and these have tended to become magnified with time. It is most desirable that every effort be made to encourage and attract foreign capital, and the stabilization of our dollar would most certainly be a step in this direction.

Against the readoption of gold payments it has been urged that the present discount on Canadian exchange acts as a tariff protection to Canadian products, and discourages buying in the United States. Undoubtedly, there is an element of truth in this statement, but if our industries need further protection it would seem advisable to increase certain of our tariff duties rather than to depend on a constantly varying exchange discount. It is urged also that the deflation required to place our dollar on a gold basis would restrict available funds, lessen production, and increase unemployment. That such an apprehension is groundless is shown by an examination of the volume of the gold reserve in relation to the bank notes outstanding in 1914, and at present. Since 1914, our total note issue has increased from $218,000,000 to $352,000,000, or about 60 per cent. During the same period the business of the country has expanded very materially, price levels have risen relatively, and at the same time the gold backing of the currency has increased substantially. It is thus apparent that our currency is not unduly inflated. All that would be required is that the receiver general announce that gold payments have been resumed. Undoubtedly some gold would leave the country, but certainly not a sufficient amount to cause any misgivings.

A careful examination of both sides of the argument leads to the conclusion that the resumption of gold payments promises definitely beneficial results, while any disadvantages which might be incurred would disappear in the course of time.

F. M. Lonergan, teller in the Union Bank branch at Moncton, N.B., has been appointed accountant in the branch in succession to H. J. Kerr, who has left the bank's employ and is removing to Detroit.

Increased Current Loans Indicate Expansion in Canadian Business

An increase of over $19.000.000 in current loans during March, as shown in the statement of the chartered banks, may be taken as reflecting a moderate expansion of business during that month. Savings deposits during the month showed a small improvement, and there was a considerable increase in demand deposits with the expansion of current loans. Call loans in Canada contracted with the quiet trading on the stock markets but there was an increase in call loans in New York which would indicate that the Canadian banks had funds to spare.

MARCH BANK STATEMENT

	March, 1924	February, 1924	Change	March, 1923	Change
Assets					
Specie	$ 58,616.405	$ 55.818,657	+$ 2,797,748	$ 70,650,447	—$12,034.042
Dom. notes .. .	135.514 256	155.254.971	— 16,740,715	170,047,880	— 31,533,624
Gold reserve ..	60,902.533	55,052.533	+ 5.850.000	55,252,533	+ 5.650,000
Can. call loans.	104.230.641	111,467,549	— 7,236.908	89.467,352	+ 14,763,289
Call loans out..	208.306.568	188.915.774	+ 19.390.794	202,863.109	+ 5.443,459
Current loans .	1,006.913.916	987,896.983	+ 19,016.933	1,058,236,482	— 51,322,566
Loans abroad ..	179,478,716	185.430.910	— 5.952.206	161.527.353	+ 17,951,363
Total assets ...	2,684,108,861	2,656,844,963	+ 27,263,898	2,609,386,367	+ 74,722,494
Liabilities					
Reserve	$ 123.775.000	$ 123.775.000	....	$ 130,675,000	—$ 6.900,000
Circulation . ..	170,850,556	168,779,809	+ 2,070,747	173.258,362	— 2,407,806
Demand dep. ..	493,897,179	491,709,129	+ 2,188,050	489.977,075	+ 3,420,104
Savings dep. ...	1,192,589,899	1,192,561,512	+ 28.387	1,218,295,721	— 25,705,822
Foreign dep. ...	336,233,989	315,851,252	+ 20,382.737	299,809,857	+ 36,424,132
Total liab.	2,664,185,249	2,639,387,268	+ 24,797,981	2,384,566,589	+329,618,660

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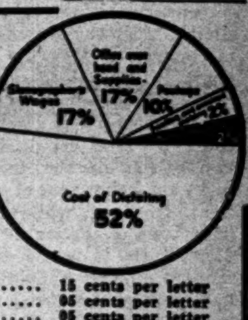

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HAMILTON CLEARING HOUSE

At the annual meeting of the Hamilton clearing house, with R. H. Harvey, manager of the Royal Bank of Canada in the chair, the election of officers resulted as follows: E. V. Illsey, manager Standard Bank of Canada, chairman; A. M. Bethune, manager Dominion Bank, vice-chairman; committee of management with the chairman and vice-chairman: J. R. Wainwright, manager of Molsons Bank; R. G. Wallace, manager Bank of Nova Scotia; P. D'E. Strickland, manager Union Bank of Canada, and A. C. Rowe, manager and secretary-treas.

BONDED AS WITNESSES

G. M. Hart and Alex. Ross, former bank clerks, who were witnesses before the Public Accounts Committee of the Ontario Legislature, in connection with the transaction in which former Deputy-Treasurer Charles A. Matthews is alleged to have profited, have been placed under bonds of $3,000 each to appear and give evidence whenever called upon by the Crown.

C. E. Neill, general manager of the Royal Bank of Canada, will address the graduating class of the University of New Brunswick the latter part of May.

J. R. Smith, who has been manager of the Bank of Montreal at Gladstone, Man., for three years, has been moved to Quyon, Que., and has been relieved by L. W. Smith, from Botha, Alta.

THE FINANCIAL POST

Member Audit Bureau of Circulations.

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Vice-President—HORACE T. HUNTER.
Manager—GORDON RUTLEDGE.
Editor—J. W. TYSON.

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THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

TORONTO, MAY 9, 1924

SOVIET PROPAGANDA

IT IS interesting to note the simultaneous publication by different Soviet agents in the United States, Canada and also in Great Britain, of stories about and evidence of the fact that Canada is sliding slowly and peacefully into the hands of the United States.

This is not an accident. It is intentional and is another evidence of how propaganda is directed from one source to create trouble in the British Empire and the United States. The same crowd is at the back of the writers of these articles as is at the back of the League for Industrial Democracy and the National Student Forum in Toronto and other Canadian universities, and the campaign going on in the churches against war.

A WEAK CABINET SYSTEM

IN ADDITION to the politically sensational arrest of Hon. Peter Smith, former provincial treasurer, in connection with the allegations of graft in Ontario finances, two officials of the provincial secretary's department have been brought to court to face criminal charges and two others of the treasury department are being sought by the authorities. In short, while political efforts have been to the end of incriminating Mr. Smith, it would seem that permanent officials appointed by the predecessors of the Drury administration are chiefly involved.

However, there can be no doubt from the evidence submitted before the public accounts committee that Peter Smith was not qualified by ability or experience to hold the important post to which he was appointed. For this the system of cabinet appointments rather than the judgment of Premier Drury is to be held responsible. The real lesson to be gained from this unfortunate experience is the necessity for a change which will permit our prime ministers to select their cabinets from the best men available in the province or the country and not merely from the elected members of the House. Under such a system men like Peter Smith and F. C. Biggs would never have been called to Premier Drury's cabinet. And in addition to strong men in the cabinet there should be competent experts as permanent department heads.

LONDON AND PARIS

IN SOME quarters there is a tendency to link the purchase of the Hotel Scribe in Paris for the C.N.R. and of a building in London for the Canadian High Commissioner together and to condemn both transactions. This is hardly fair.

The Hotel Scribe deal was badly engineered from the start. Even the answers to questions in Parliament have not been thoroughly satisfactory. They have left the impression that someone is trying to cover up a poor and perhaps not thoroughly honest business transaction. The whole deal has created a mistrust of Sir Henry Thornton personally which he should hasten to dispel.

The London transaction is to be regarded in a different light. Canada needs large offices in London because Canada's interests in London are great. The offices should be well located not only for convenience but for the advertising value of central offices. To get such offices high rates must be met. It would not be economy for Canada to stint itself on this investment for the future. Our former side street indecent offices, when compared with Australia's handsome group, handicapped us.

The Canadian government is justified in acting with confidence upon the recommendations of the successful business man who represents Canada in London. Hon. P. C. Larkin, Canada's High Commissioner, there, has always borne the highest reputation for integrity and public spirit as well as for far-seeing business wisdom. To link his recommendations and actions regarding Canada's London, England, office with the Hotel Scribe purchase is unfair and misleading.

THE LESSON OF LENINE

THERE is an interesting article on Lenine by a Russian writer in The Saturday Evening Post. He declares that an autopsy of Lenine's brain has shown that it was terribly diseased and had his body been strong enough to maintain life for a longer period he would have died a violent maniac.

Going back this writer develops the theory that Bolshevism in Russia, as distinct from socialism, was really the result of the diseased brain of Lenine. He thinks that Bolshevism was not due to the war but that the war gave an opportunity for Lenine to exploit public opinion and work out his crazed ideas.

As with Lenine so frequently has it been with others who have attracted large followings temporarily by advocating policies which have been the products of diseased or unbalanced brains. Even in Canada, certain leaders of local, provincial and national movements have been proven in after years to have been mentally affected.

"HE ATTRACTED ATTENTION"

REAL merit seldom goes unrecognized and unrewarded. In this day of Big Business and big businesses it is worth while to remember that. The young man starting out to-day is apt to fear that he has not much chance of reaching a pinnacle of personal success when he must jostle upwards through masses of other aspirants to fortune who seem to have as much a chance for success as himself. The distance from the bottom to the top seems too far.

It is too far, it is true, to be reached at a single jump. It must be taken step by step. In an article on Edward W. Beatty, president of the Canadian Pacific Railway, a writer uses the phrase "He attracted the attention of—" so and so. Let the individual show his ability and reliability in his immediate job and he will attract the attention of the man one step higher up. Soon he will be called to a better job and in that he can attract the attention of some one else a little higher up in a world that is hungry for ability and reliability. And the world is hungry for ability. The general manager of one of Canada's largest banks said in private conversation the other day that his biggest problem was to find among his 7,000 or 8,000 employees men worth $5,000 a year.

Big business does not destroy opportunities for the individual. It creates bigger opportunities and more of them.

INDUSTRY HELPS FARMER

REALTORS at Sydney, C.B., report that owing to the continued steady employment in the Cape Breton coal and steel industries, renewed activity is being experienced in the local real estate market. A feature is the increasing demand for farm lands in the vicinity of the city and the colliery towns. For some years past the movement has been altogether away from the land.

Here we have an illustration of the benefits to the whole community of a prosperous industry. Steady employment at good wages means a demand for foodstuffs and manufactured goods. The farmer shares in the business created as well as the manufacturer, the importer and the retailer. And, as noted in the Sydney district, the farmer not only finds a wider demand for his products at better prices but the value of farm lands is also enhanced in keeping with profits.

The development of Canada's resources—minerals, pulpwood, timber, etc.—leads to the employment of labor at good wages and the farmer shares in the benefits. Also the farmer likewise shares in the prosperity created by the spending of the wages of labor in manufacturing industries in the cities, although this is not appreciated as in the case of the mines, steel mills, pulp plants, etc., where a considerable portion of the money distributed in wages gets directly back to the producer of foodstuffs.

EDITORIAL NOTES

THERE may be nothing in the idea that the Alberta coal strike has been encouraged with the idea of maintaining the high price of Western coal and keeping it out of the Eastern Canadian market, now supplied with the American product, but there can be little doubt as to its having that effect.

* * *

DECLARING that tariff stability, which is so urgently required, will never be secured until the matter is taken up as a similar situation in private business would be, Graham Bertram, of the John Bertram & Sons Company, Dundas, states his conviction "that the whole matter of the tariff should be taken out of the hands of politicians and put in the charge of a tariff commission, composed of representatives from all industries, but all business men."

Australia-Canada Trade Pact Would be Great Step Forward

It Would Offset Loss of British Preference—Will Great Britain Gain in the Long Run From Her Cobdenite Action?

By RANDOLPH K. JONES, B.A.,
Department of Political Economy, McGill University, Montreal.

The direct effects of the abrogation of preferential treatment, accorded British countries by the Mother Country when she instituted protection for her key industries and the McKenna duties, may be considerably less for Canada than for other of the colonies, but the indirect effects may prove far-reaching for all concerned.

The only concession of the McKenna duties of importance to Canada was that on automobiles: Canadian automobiles were admitted to the British market at two-thirds the rate of duties exacted when coming from foreign countries. This, together with similar concessions gained from several other parts of the Empire lent a marked impetus to the rapid expansion of the automobile industry in Canada, she became the second greatest producer and exporter of motor cars and parts in 1922: and the exports for 1924 have been double those for 1921. Those to England rose from $2,150,000 in the fiscal year 1921 to $7,470,000 in the twelve months ending with February, 1924, although they were greater than the latter figure by some two millions in 1923.

Ship Cars From States

The first effect of the action of the British Labor government will be for Canada a marked diminution in the volume of her sales to the United Kingdom of motor cars and accessories. Americans will find it no longer financially advantageous to export for the British market from here rather than from their own country In fact, on the contrary, Americans will find it advantageous to employ that scale of production which operation in the United States makes possible; and through the instrumentality of that lower cost of production and greater efficiency resultant upon the increased scale of production, producers and exporters in the republic may be expected to take from the Canadians in a large measure that part of the British market for automobiles the Canadians have gained by means of the preference which went far in compensating for a higher cost per unit, owing to a smaller scale of production. The growing demand in the Old Country for motors made on this side of the water will be met by the expansion of the industry in the United States, not in Canada. and many Canadian youths may cross the border to lend their assistance in securing the increased production. On the face of it, our country will lose something in national income and something in population.

Will England Benefit.

England will not escape in a whirl of prosperity as a result of this Cobdenite measure. Indeed, her action may prove a boomerang. Certainly her markets will be increasingly invaded by those commodities against which she had aimed her tariff, and the automobile and various other industries will suffer. The foreign competition may prove sufficiently keen to put a few English producers out of the running. Some men will be thrown out of work, and added to the formidable list of unemployed. Moreover, not only will the national income be lessened, but the revenue from customs will be eliminated: and in what way Britain is to be a gainer it is exceedingly difficult to see.

Theories have often proved costly. Britain's market is invaded by millions of dollars' worth of goods that could with a reasonable measure of protection be produced there, giving work to many now without the means of livelihood, and so substantially adding to the national well-being. But this is a minor aspect of the cost of free trade. By her persistence in treating the Empire overseas as she treats all foreign countries Britain may estrange the filial relations. It is difficult to shower love and attentions upon a stone. Britain does not respond to the concessions of the Dominions, concessions which at times involve a sacrifice to the latter.

Will Preference Last?

For a quarter century Canada has given England a substantial preference in her markets. This has engendered a rather serious—particularly of late—competition with several Canadian industries. Canadian textile mills are working on part time, because of the English importations of these goods. If Britons do not appreciate Canada's spirit after twenty-five years of exhibition, Canadians may decide to abolish the preferential to England, with the consequences, deeply to be deplored, of weakening the Imperial tie.

Australia has also expressed her keen disappointment at the Mother Country's attitude. Australia must have markets and sources of supply appreciative of the patronage. The possibility of a preferential arrangement between Canada and Australia looms up. The highly advantageous character of a preferential arrangement between the two Dominions cannot be doubted.

Canada would benefit. Her exports to Australia for the three periods, ending with February, 1924, averaged $16,350,000, the imports here from Australia $1,150,000. This large volume of sales to our sister—which amounts to over twenty millions annually now—is realized in spite of the fact that the general rates of the Australian tariff apply to Canadian goods. The increase in Canadian exports to the sister Dominion under a preferential arrangement may be imagined. It would be five-fold before the passage of much time.

The Benefit to Canada

Industrial Canada would benefit. Practically all—99 1% in 1923—of our exports to Australia are manufactured goods. The potentiality of the Australian field as an area of expansion for Canadian manufactured exports is very great. In 1922, Australia was a better customer of Canadian automobile manufacturers than was England; and under a preferential arrangement there is no reason to think that the Canadian producers could not command the Australian demand for motor cars in its entirety Canadian paper and newsprint would dominate the Australian market. With the exception of agricultural and natural products, for Canadian produce Australia would become one of our best markets. In return, the sister Dominion would ship many commodities, including wool, to us. The losses encumbent on the two Dominions by Britain's action would be in an appreciable measure offset.

The success of the Canada-Australia pact may be expected to lead to a closer commercial relationship between all parts of the overseas Empire, than which nothing could be more advantageous to Canada. The industries of our country would find wonderful expansion in lands, such as the British Dominions, that take 99 per cent. of their imports from us in manufactured form. Canada will do well to exert every effort to secure more complete co-operation between herself and the overseas Empire. Britain may in such a process be made to see that free trade is not the policy capable of keeping the Empire together, and the complete discredit of Little-Englanders may thus sooner be achieved.

The British Empire is potentially self-sufficient; and an Australia-Canada pact will be an important step towards realization of this tremendous possibility.

Moscow's Hand Directs Twelve Organizations in United States

More Links Laid Bare in the Chain Being Forged by the Red Propaganda in America—Have Speakers in One Hundred Colleges—Pinks Use Clubs

By DONALD EWING in the Chicago Tribune.

Openly backing the Pacifist move in American churches, colleges, and public schools, are twelve chief organizations. They are:

The Civil Liberties Union, whose list of officials contains known Russian communist agents and which is the guiding hand in spreading propaganda to other organizations.

The Workers' Party of America, the Trade Union Educational League, the International Trade Union, and its subsidiary women's branch. These four reach working men and women with communist propaganda sent from Russia.

The Youth Movement of Germany, a revival of ancient Red moves designed to reach the youth of the world.

The League for Industrial Democracy and the International Workers' Education Association, the latter actually the propaganda division of the Third Internationale.

The Fellowship of Reconciliation and the Federal Council of Churches of Christ of America, which reach the clergy. The former openly spreads its doctrine of don't fight, even in self-defense; the latter, unwittingly perhaps, circulates thousands of words of propaganda leading to the same objective.

The Women's International League for Peace, containing thousands of reputable duped members, but including among its officials known agitators and officers of the Civil Liberties Union, who admittedly back the Third Internationale and represent it. This group reaches the women of the nation.

The National Council for Prevention of War, which specializes in college professors, well known men who are duped into believing they are simply supporting the league of nations, etc.

200 Other Organizations

Subsidiary to these twelve are more than 200 other organizations and more than 600 radical publications spreading their gospel in various forms boosted by the directorate of the Civil Liberties Union, are abolition of private property rights, of rights of inheritance, of the family, of marriage of religion, of distinction between town and country. The same principles are followed by the Youth Movement, except that it makes it more plain by adding that it believes even in the abolition of clothes.

The National Council of Reduction of Armaments has for its executive secretary Frederick Libbey, draft dodger, whose books urging no defence are recommended by the Federal Church Council.

The Women's Peace League is backed primarily by Jane Addams of the Civil Liberties Union, and a sponsor for William Z. Foster Red agent also a member of it. This league openly pledges members to keep their sons from fighting in any way. A pledge sent out for members to sign ends in this way:

"I promise never to aid in any way the prosecution of any war."

Then the Fellowship of Reconciliation, aided by some of the other organizations, steps right into the clergy with pamphlets containing such statements as this:

"The members feel that they can take no part in any war for any cause."

Speakers in 100 Colleges

Turning to colleges, communist literature boasts that its speakers have been appearing in more than 100 institutions and any one who thinks Northwestern is alone, need only go back to a day a few weeks ago at the University of Chicago when Charles Ruthenberg, convicted in Michigan of sedition, and an agent of Moscow, addressed students of the Liberal club there.

Also the Women's Peace League has moved its summer school from Austria to the University of Chicago where it now offers mildly pink courses which may lead to deeper shades of red in time.

Upton Sinclair recently boasted before a Yale University meeting that he could in a matter of hours obtain speakers to go all over the country spreading pacifist and radical doctrines. Then he gave, among a list of available, such men as Roger Baldwin, who served a jail sentence for draft obstruction: C. W. Ruthenberg, convicted in Michigan of criminal syndicalism—both of them members of the Civil Liberties Union, which has as one of its chief leaders William Z. Foster, known communist agent.

Trade Educational Union literature recently stated that its propaganda was being presented in hundreds of college clubs by its speakers.

The same method is followed in Sunday schools and churches—speeches in so-called forums.

In public schools it has been explained that hundreds of Red clubs are formed among children. Furthermore, a Chicago committee of principals recently drew up a course in grade 8B American history which included the following oral instruction: The futility of war, aiding Russia, the soldiers' life, boredom of training camps, loss of health among soldiers etc. In the hands of a loyal teacher it could be usefully presented. But the records show that the Reds have reached teachers in their underground propaganda, and a teacher with pink leanings could easily switch these subjects into sedition, and many are doing so.

This is the third of a series of articles revealing the real source and mission of the pacifist movement which is being spread throughout the country under a cloak of Christianity and education. Another article will appear next week.

The Mennonites

Contrary to popular belief these Russian Mennonites (so called) are not Russians, in fact very few have any Russian blood in them. This body of people has the same common ancestry as their co-religionists here (Ontario) commonly known as Pennsylvania Dutch. Early in the eighteenth century, or about 1750, the Mennonites in Germany were solely persecuted by reason of their non-resident principles and refusal to bear arms and consequently they emigrated to countries allowing them greater freedom in their religious beliefs and worship. Some came west to America, while others went east to the Russian Steppes.

Those who came to America settled in Pennsylvania, later coming to Ontario settling in Waterloo, Lincoln and York counties, while those who chose Russia as their future home settled in the wide steppes of South Russia, to the south of Moscow and east of Liev. This colony prospered in their agricultural pursuits, all Mennonites being primarily a pastoral people, and in addition increased in numbers, with the result that when the Revolution broke out in Russia in 1917, the Mennonites numbered over 100,000, many of whom were comparatively wealthy with very few really poor.

Moreover during their 185 years' sojourn in Russia they did not mix with their Slav neighbours, very little intermarriage taking place with them. These people, it can therefore be plainly seen, are not Russian as their name would imply, although they can speak Russian. They are generally an educated class, practically all of them being able to speak two languages, Russian and German, while many speak English and other dialects. One feature of the people who are coming to Canada in this immigration flow is that they are ready to mix with the general Canadian population in contrast to the old colony type who settled in Manitoba many years ago, and who caused some dissension during the late war.

About 3,000 of the above described settlers arrived in Canada last year and of this number about 100 are now on Lake View Farm.

FARM CREDITS IN U. S. AND CANADA

"Farm credits in the United States and Canada," by James B. Morman, deals comprehensively with the business of agriculture and the methods whereby that business is financed. This book gives the history of the farm credits movement during the past ten years, analyzing and summarizing all laws enacted in that time; describing interest rates, commission charges, periods of loans and methods of repayment; and discussing the effects of farm credits on the welfare of farmers as debtors, on rural communities and on the nation.

So far as the material relating to Canada is concerned, the Hon. T. K. Doherty, commissioner in charge of the International Institute Branch of the Department of Agriculture at Ottawa, and Prof. W. T. Jackman, of the University of Toronto, have supplied valuable publications dealing with the rural credits situation in Canada and also obtained from many public and corporation officials in the various provinces much reliable and valuable information which is incorporated in this volume.

The book treats specifically of land mortgage, intermediate and personal phases of credit for farmers and constitutes a survey from three points of view—legislative, financial and economic—of the most reliable data on farm credits in the United States and Canada. It is published by the Macmillan Company.

CURRENT OPINION

RED MENACE IS REAL
(Kingston Standard)

Thus we might go on referring to the activities of the Reds as shown by the records of the Royal North West Mounted Police which proved how the lumber and mining camps and industrial centres are being permeated by them, and also to the proofs given by THE FINANCIAL POST that these activities are being extended to Canadian Universities. But our readers will agree that we have already said enough to show the real gravity of the situation, and that remarks concerning "hysteria-prompted" action are uncalled for, unwarranted, and even dangerous.

OFFICIAL EXTRAVAGANCE
(St. John Telegraph-Journal)

THE FINANCIAL POST is somewhat sarcastic over what it considers to be governmental extravagance. A great many people will agree with it that there is outstanding extravagance in officialdom in the federal capital. THE POST thinks, however, that "despite all that has been said on the sin of governmental extravagance, it will take a great deal more criticism and drastic action to make some officials take notice that the public means what it says on this matter. During the war officialdom took on many expensive habits, and has not discarded them.

"Automobiles are a case in point. There were not many of them around government offices in the early days of 1914, but now they are considered indispensable and are a big item of expense. It looks like a joke to see how they are used in this city of less than 120,000. But it seems that they use them in London, and our officials are strong on British precedents.

"Extravagance has apparently become a national vice. In this country of only 9,000,000 which is carrying about as big a load of debt as is any country that expects to meet its obligations, some frills are carried in official life that Washington does not sport."

Well, what is the remedy? Is it necessary to legislate to prevent Ministers charging expensive autos and still more expensive upkeep to the country? Both parties are guilty. In war time when mainly Conservatives held cabinet rank and there was every need for economy, expenditure ran wild. We are still "carrying on." We are thinking of the present not of the future. Rainy days will find many of us without shelter. "Let us eat, drink and be merry for to-morrow we die."

TRAINED BANKERS
(Manitoba Free Press)

The government is planning an audit board to supervise Canadian chartered banks, according to a current news item.

It all depends on the kind of a board as to whether in actual working out it will be a successful check against any such disastrous affair as the Home Bank failure happening again.

The suggestion has been made before that there should be a central board whose powers would be very wide and which, in the application of its duties, would act in a similar capacity to the Reserve Bank of the United States, which is a kind of "shock absorber" for the whole banking system, or rather that part of it which belongs to the federal reserve system, of the United States. Indeed, the Federal Reserve Bank of the United States has a very great influence on those banks even which are not members. When money threatens to become too plentiful it is the Federal Reserve Bank that takes in slack. When money becomes too scarce for ordinary busines purposes and the resources of the smaller banks are strained to the limit, it is the Federal Reserve Bank that comes to their assistance.

There is no indication yet as to how great, or how limited the powers to be given the Canadian bank audit board are to be, nor just in what way it is to function, but one thing is essential: the members of this board should have banking experience. There are undoubtedly plenty of men available who have had the necessary training and experience, and it should be a task presenting no great difficulties to choose a board that will be of real assistance and whose experience and ability will be a guarantee against such wild speculations as the case with the Home Bank.

It is a point to be noted that the men at the head of the two banking institutions that have failed recently in Canada were not trained bankers. Sir Montagu Allan, president of the Merchants Bank, merely "signed reports." In the case of the Home Bank, neither the president nor the general manager were men trained in banking, and when a trained banker was brought in it was not because he did not know the danger the bank was in, nor because he failed to speak about it that remedial steps were not taken, but because the men at the head refused to give ear to the warnings that were freely given.

PERSONAL

SIR ROBERT KINDERSLEY, who has been chosen to organize the German bank under the Dawes report, is one of London's outstanding financial figures, and a man who was given by war an opportunity for public service which he would probably never have had under other conditions. This is illustrated by the fact that his name is not mentioned in the Who's Who of 1914. It was Sir Robert—then Mr. Kindersley—who created the gigantic organization of the War Savings Committee after the outbreak of the war. This committee issued the popular war savings certificates and stamps for those who could not buy the regulation war bonds. Sir Robert was not only the prime factor in the financial arrangements, but put his personality and energy into the publicity campaign which was so essential to the success of the venture. He is still president of the National Savings Committee. As chairman of Lazard Brothers, one of the big London private banking firms, Sir Robert has occupied a position in the financial world which has been considerably augmented by his directorship of the Bank of England, which means that there is no great financial transaction in Great Britain in which he is not at least indirectly concerned.

May Investments

To those with funds now available or funds which will be shortly available, our new Investment List, which is now ready for distribution, will be found of interest.

This list contains a wide selection of securities of Canada's Provinces, cities, towns and industrial corporations, together with an attractive list of odd amounts and short-term bonds. The yields range from 5% to 7.20%.

Canadian dividend and interest payments during May will approximate $45,000,000. As a large portion of these funds, together with other available funds, will be seeking investment, we suggest that selections be made as early as possible.

Copies of May Investment List on Request.

A. E. AMES & CO.

Established 1889. Investment Securities

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VICTORIA **TORONTO** *CHICAGO*

AVOIDED BIG LOSS ON THE POST'S ADVICE

Editor, THE FINANCIAL POST:

Gentlemen,—Early in December, 1923, I was asking your opinion about the Dominion Steel Corporation preferred. The 13th of December you answered me about that stock. This is what you said about it:

"The disadvantage in your Dominion Steel preferred is that it is difficult to know what the earnings to provide for this are from time to time. At any rate you have too much money invested in one security of this sort.

"You might do well to exchange all or a good part of it for some good industrial bonds. Buy them from a well-established bond house and make sure that the company has a good record of success over a period of years."

Let me offer you my very best congratulations about what I will call your prophecy. That stock was then at $73 a share and to-day it is offered at $49 a share. I sold that stock in February at $72.

Thanks to your clever opinion I have avoided a hard blow.

Sincerely yours,

H. M.

Montreal, May 5, 1924.

INVESTORS' INQUIRIES

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

LA PAZ OIL

Reader, Preston.—Is there any market at present for La Paz Oil?

Stock in La Paz Oil is traded on the curb occasionally. The latest quotation is an offering of stock at 15 cents.

FEDERAL DISCOUNT

Anna.—Is Federal Discount of Canada stock still of any value?

Federal Discount was absorbed by Consolidated Discount. Common shares of the new were given for preferred of the old. It is hard to put a value on the shares. The concern is dealing in first and second mortgages and commercial paper, a line of business in which management is the big factor.

JEWETT RADIO PHONOGRAPH

A. G., Ontario.—May I ask for information about Jewett Radio Phonograph, and the future prospects of the concern?

Jewett Radio Phonograph, of Walkerville, made a little money last year. They have been experimenting on a new machine, and are reported to have perfected something new which will be marketed this year in a big way. The company has a fair bank account and the management is considered good.

ASBESTOS CORPORATION

J.P., Quebec.—Would like your opinion on Asbestos Corporation common shares.

Mr. Ross' statement that rather unsatisfactory conditions are likely to continue indicates that there is not likely to be a great deal of improvement from the shareholders' standpoint for some time yet. The fly in the ointment seems to be the American asbestos manufacturing companies, which own mines in Canada and which produce sufficient for their own needs and then dump large quantities of excess production on the market at cut prices. The companies that produce asbestos for sale rather than for use in their own manufacturing plants, such as Asbestos Corporation, find it difficult to co-operate with the other companies in maintaining livable market prices.

It is doubtful if the Canadian government will adopt the price fixing scheme suggested by Mr. Ross. Some measure of control may be brought into play, however.

The situation is most unfortunate, but it is not too difficult for solution, and shareholders of Asbestos Corporation who are in a position to hold their stock are not likely to lose out in the end.

FRENCH LOTTERY BONDS

A. N., Fort William.—Would like information regarding drawings of French bonds in your issue of April 25.

We presume that you are interested in purchasing some of the French Lottery Bonds.

Various French bond issues can be purchased through any responsible Canadian investment house although most of the French Canadian houses have specialized in these issues and if you are in touch with one of these you might get better informed service in regard to them.

WRIGHT HARGREAVES, LAKE SHORE

R. H. H., Nova Scotia.—Will you give your opinion of Wright Hargreaves and Lake Shore? What dividends do they pay? Are they a fair speculative buy?

Wright Hargreaves paid 15 per cent. in 1922, 7½ per cent. last year, and so far this year has paid 2½. The company has been husbanding its finances until it completed its mill enlargements, which have already been started. Lake Shore has been paying 8 per cent. It has just enlarged its mill to 300 tons. Par value of both $1. Both are good, substantial mines and well handled. Both mines can be expected to pay materially higher dividends in the not distant future.

TOKIO MARINE IS SOUND

Merchant, Saskatchewan.—Kindly let me know if the Tokio Marine and Fire Insurance Co., is a good sound company, licensed to do business in Canada, and safe for good sized amounts of fire insurance. Also please give me the amount of their government deposits.

The Tokio Marine and Fire Insurance company is a large company, and is safe to place your insurance with in good sized amounts. The company was formed in 1879, with its head office in Japan, and received a license to transact insurance in Canada in 1920. The total assets of the company at the end of 1922 were over $50,000,000 and large reserves have been built up. They have bonds on deposit with the receiver-general, with a market value head of $60,500, according to the last available report of the superentendent of insurance. The under-writing and loss paying record of the company is excellent.

NORTHWESTERN PROSPECTS

Banker, Saskatchewan.—I have been reading everything in your paper regarding the Northwestern Life Insurance Co., and the Northwestern Trust Co. It happens that I am slightly interested in both. I went in easy with the idea of watching it grow and of getting some "inside" information, which came in plentifully, but very little was true. According to an item in your last issue, the stockholders in the insurance company were to lose what they had in, which would suit me fine. The information regarding the trust company seems scarce. Can you give me any information as to what became of the money paid in and whether or not it also is a total loss?

On account of the interlocking of the affairs of the Northwestern Life Insurance Company and the Northwestern Trust Company it is difficult to estimate what will be left for the shareholders of the latter. The action of the Sun Life has prevented any loss to policyholders in the former, and will, we understand, relieve the shareholders from any further calls on their stock. The opinion is expressed in financial circles that had the company been under proper inspection, as in the case of life insurance companies, with Dominion licenses, or licenses in some of the other provinces, the situation could not have become so involved. It is hinted that the failure may result in a system of inspection being adopted by the Manitoba department.

The amount which the shareholders of the trust company will realize will depend largely on the ability to realize on the assets, especially in respect to mortgages

STOP LOSS NOT EFFECTIVE

Reader, Fort William.—I held considerable stock of Rouyn Gold Mines which averaged me 29 cents. When the stock passed forty I put in a 5 point stop loss order. When the stock reached 48 I was under the impression I was protected at 43. The broker claims that when the stock broke he could not sell until it had reached a ridiculously low price. Consequently I still hold the stock. Is the broker responsible for the difference between the stop-loss point and that which the stock can be sold for? Also how can one secure information as to the position of this mine financially, and what work has been done on surface and drilling the property?

The opinion among brokers is that your broker should have sold your stock "at the market" when the price broke to 40 cents. However, he did not and they seem to lean to the opinion that you have no recourse but to accept his statement. You might consult a lawyer, as this is a legal point. Little is known of the progress made on the property. You should write as a shareholder and ask for the latest information, and also a copy of the latest financial statement. While under no obligation to prepare a special report for you, it is reasonable to suppose that your request will get a favorable reception.

RUSSELL MOTOR

E. T., Ontario.—I hold forty shares of Russell preferred which has been paying its dividends right along—the last cheque came only a few days ago. When depositing this cheque my banker noted that it was "Russell" and made some comments which indicated that he did not look for this company continuing to keep up its preferred dividends nor its present selling value of $50 per share—in fact he advised me very strongly to get rid of this stock at this price. I hear very little comment about the company, and would be more than glad if you would give me your opinion regarding the company. Do you think the company will continue to pay its dividends?

Have been making some enquiries about the Russell Company, but do not find anything definite to warrant the pessimism of your banker. Of course, when you see a 7 per cent. preferred stock which is paying its dividends selling at 50, and showing investors 14 per cent., you will realize that it is a speculative basis and that the continuance of the dividend at this rate is not by any means assured. However, in the case of this company our information is that not only is the dividend being paid, but that it is being earned. The prospects are considered reasonably satisfactory. The company has no bonds outstanding or prior obligations, the preferred dividend is being paid from the earnings of the Canada Cycle & Motor Company, which manufactures bicyles and skates. The Gear Company is not doing anything in particular and the investment in Willys Overland is not really regarded as an asset. Looking forward there would seem to be reason to hope that the cycle company, will continue to show profits to take care of the preferred dividend. Should there be income from the Willys Overland investment that will be in addition to anything now being counted on.

I have been informed that some of the people of inside who should know what they are doing, have recently been buying Russell common shares and you can appreciate that these would not be very attractive if the company could not earn its preferred dividend.

In short you have what we would regard as an attractive business man's speculative investment and the point for you to decide is whether you want to hold a security of this kind.

TUXEDO PARK COMPANY

M.P., New York.—Have received notice of the annual general meeting of shareholders of Tuxedo Park Co., Winnipeg. Can you tell me anything about this company's affairs?

Information from Winnipeg is to the effect that the property of the Tuxedo Park Company is a subdivision about four miles from Portage and Main Streets. It is a splendid property but development is at a standstill and it is practically impossible to sell lots under the conditions prevailing. There is street car service to the property and the streets are laid out. However, as an investment proposition it looks like a long hold until there is expansion to give it an attractive market. It would be difficult to give valuations as the property is several hundred acres in extent and some locations are naturally more desirable than others.

FOUNDATION COMPANY

Broker, N. S.—Will you be kind enough to give us your opinion on the Foundation Company?

The Foundation Co., was incorporated in April 1902, in New York, under the name of the Foundation & Contracting Co., the name being changed to the present title in 1904. The company is an engineering and construction organization engaged in the building of industrial plants, power houses, hydro electric development, harbor and river terminals, mine shafts, tunnels, etc. It has branch offices at Chicago, Pittsburg, Detroit, Atlanta, New Orleans, San Francisco, Portland and Tampico, Mexico, Montreal, Canada, Lima, Peru and Paris, France. It owns and controls a number of subsidiary companies. One of its big contracts was announced in February 1923 for subway systems in Tokio, Japan, to the extent of $40,000,000.

Extensive information regarding the company, which appears to be a sound concern with extensive connections and association, will be found in Poor's Manual of Industrials, a copy of which you could no doubt see in a local brokerage house. The company's profits and other income between 1917 and 1922 average about $1,500,000 a year.

An Optimistic Plunger

Speculator, Toronto.—I would like your opinion of Port Hope Sanitary, common stock. I have thirty-two hundred dollars which represents the profits on four investments on a marginal basis during the last five years less five hundred which was the original investment of my savings, the whole of which I am considering placing in the above stock. I am anxious to have your opinion on my reasons for thinking this a promising investment or speculation. The company has small liabilities, I think about 1-10 of current assets. The provision for depreciation during the past two years, has, considering that a good part of the assets provided for must be buildings, been very liberal. The absence of mortgage debt and the retiring of the preferred shares would appear to place the common in a very favorable position for the future. Would you not determine the company's earning capacity by considering the transfers of adjustments to fixed assets on in 1922 of $75,000 and to goodwill of $100,000 in 1923 as profits. I was told in Port Hope that the company was busy at present and I thought it might be well to buy say 160 or 175 shares on margin and should this stock sell up after the preferred has been taken up and the common put on a dividend say of 9 per cent., which would take profits of fifty or sixty thousand. I would then sell out with a total profit of what at my present time as a salesman it would take me a lifetime to save.

If you have been able to increase $500 to $3,200 by marginal speculating in five years, we believe that you have been fortunate as well as employing obviously good judgment.

As to investing this money in Port Hope Sanitary common stock on margin with the idea of cleaning up what it would take a lifetime to save, we can hardly concur in your optimism. Buying industrial common stocks on margin is a speculation. We believe that such an investment in Port Hope Sanitary common stock over a period of years should prove satisfactory; it may even do as well as you anticipated; but to put this stock on an assured 8 per cent. basis would require a volume of business which cannot be definitely counted on in any such fluctuating industry as the building industry. Then there is the other side of the proposition. At 50 the stock is high for a security paying no dividend. Buying on margin you stand a chance of being wiped out in the event of a decline or slump.

As you point out, the company has been quietly improving its position, but there has been no volume of trading in the stock to indicate that the outlook is as good as you picture it. Do you not think that there would be buying by the directors and their friends in such an event? Of course, you may have a knowledge of the industry or of the affairs of the company to give you confidence to stake heavily on its future, but in our opinion the course you propose is a dangerous one and that even as a speculation you should provide a margin which will amply enable you to cover in the event of a decline.

The stock's ultimate value, will, of course, reflect the company's earning power and that will depend upon conditions in the building industry. Should we have a large influx of immigration and an adjustment in building costs, a building boom is likely with profitable business for the companys manufacturing supplies. But we believe it would be a doubtful policy to invest all your funds in such a venture.

CANADIAN CONNECTICUT

F. N., New York.—Some of our clients are interested in the stocks of the Canadian Connecticut Cotton Mills, and especially in the common stock. We have received information in a roundabout way from Canada that leads us to believe that it will be a long while before any dividends will be paid on this stock, and there is a question in our mind whether to advise our clients to sell out their holdings. We have heard that by the end of this year the sinking fund will be $1,000,000 behind. We also understand that no dividends on the common stock can be paid until the sinking fund is brought up to date. We have been informed that the company is losing money at a considerable rate every month and it probably will be several years before any dividend is paid. We also understand there is an over-production of tire fabrics.

The outlook for Canadian Connecticut cottons does not appear to be very bright, and you are undoubtedly correct in assuming that it will be a long while before any dividends will be paid on the common stock.

The company entered the field under very unfortunate circumstances. It erected a large addition to its plant at the same time that two other companies were erecting large plants in Canada, and when all were completed it was found that there was not enough business to keep one plant busy. The industry is now tremendously overbuilt with little prospect of more than a gradual and normal growth in business. And there is little possibility for the company converting its plant from the manufacture of tire fabrics into other textiles for the textile industry on the whole is not in a normal condition in this country.

We have no information as to the present earnings of the Company, but presume you have seen the annual reports to September 10th, last. From unofficial reports, however, we are ready to believe that the company is losing money at the present time. Its liquid position is very satisfactory, but if the company is not making money it is hard to see how the payment of preferred dividends can be justified much longer.

The company has no bonded or bank indebtedness, but there is a sinking fund feature to the preferred stock. It was provided that $250,000 a year should be put into this preferred stock sinking fund beginning with January, 1922. As no money has been put into the sinking fund for the reduction of preferred stock, the sinking fund would be about $600,000 in arrears. The company does not feel that it should weaken its liquid position for the sake of redeeming its outstanding preferred shares. While the sinking fund is in arrears no dividends can be paid upon the common stock.

CANADA'S MOTOR VEHICLES

OTTAWA.—Registrations of motor vehicles in Canada during 1923, aggregated 586,764 as against 513,821 for 1922. This increase of 72,943 or 14 per cent. included an increase of 52,903 passenger cars, 17,384 motor trucks and commercial cars and 624 dealer's licenses and a decrease of 1,030 motor cycles.

Included in these data are farm tractors registered in Quebec and Alberta where they are required to be registered and dealer's licenses. The latter showed an increase of 624 or 13.6 per cent., with Alberta and Ontario accounting for over 80 per cent. of the increase.

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Security	Rate	Maturity	Yield
Province of Ontario	5%	1948	5.07%
Twp. of Scarborough	5½%	1924-42	5.15%
City of Toronto	5%	1932	5.25%
Town of Walkerville	5½%	1927-42	5.30%
Edmonton School Dist.	5½%	1963	5.65%

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5% Collateral Trust Gold Bonds

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Price 98.85 and Interest, to yield about 5.15%

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Government, Municipal & Corporation Bonds
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NEWS AND VIEWS ABOUT BONDS

BIG INCOME TAX PAYMENTS REDUCE MAY BOND SALES

Prices of Dominion Bonds Show Slight Weakness

Bond dealers are carefully studying the situation of the market with a view to determining the possibilities of provincial and corporation financing in the latter part of the year. It is known that some provinces need considerable money but no definite information as to whether it will be secured largely in Canada or not is available. Industrial financing has been contracted so far this year and, while two or three issues are now being planned, no substantial volume is in sight as yet. Since the heavy financing at the beginning of the year buying has been spasmodic, institutions generally preferring to provide only for their immediate needs. Formerly May was regarded as a banner month due to the large interest and dividend payments but the requirements of Dominion and municipal income taxes have changed the situation. Bond men say that big private investors, on whom they counted for much May business, use the available money at this time for the tax payments and the effects are seen in the market.

Prices during the week have shown a tendency to weaken. This may be noticed in both the taxable and tax exempt Dominion bonds and other issues. On the other hand Ontarios have continued firm. A fair amount of municipal financing is being done. An issue of Calgary school bonds, on which tenders had been called, have been withdrawn.

Buy Kitchener Bonds

The Dominion Bank of Canada was awarded several issues of city of Kitchener 5½ per cent. bonds at 100.71. The total amount was $258,000, made up as follows: $68,000 for city hall equipment and $70,000 for the Waterloo Railway Company, both for 20 years, $100,000 for the vocational school maturing in 10 years and $20,000 for 30 years for the Suddahy school. The bids were:

Dominion Bank	100.71
W. C. Brent & Co.	100.69
Housser, Wood & Co.	100.385
Stewart, Scully & Co.	100.364
Dominion Securities Corp.	100.261
A. E. Ames & Co.	100.19
Murray & Co.	100.19
C. H. Burgess & Co.	100.174
Nesbitt, Thompson & Co.	100.098
Gairdner, Clarke & Co.	100.074
Matthews & Co.	100.05
Wood, Gundy & Co.	99.92
McLeod, Young, Weir & Co.	99.91
Bell, Gouinlock & Co.	99.77
MacNeill, Graham & Co.	99.57

Renfrew County Issue

An issue of $100,000 County of Renfrew 20-instalment 5½ per cent. bonds was awarded to the Bank of Nova Scotia on a bid of 101.332. The other bids included the following:

Bank of Nova Scotia	101.332
Nesbitt, Thomson & Co.	101.52
Dominion Securities	101.263
Matthews & Co.	101.21
Bell, Gouinlock	101.17
MacNeil, Graham	101.16
Municipal Bankers' Corp.	101.107
Wood, Gundy	100.89
Housser, Wood	100.86
Ames & Co.	100.71
Dyment, Anderson	100.68
McLeod, Young, Weir & Co.	100.57

An issue of $90,000 town of Caledonia 5 per cent. 20 equal annual instalment bonds was awarded to Nesbitt, Thompson & Co. in a bid of 97.273. The bids were:

Nesbitt, Thomson & Co.	97.273
R. A. Daly & Co.	97.03
C. H. Burgess & Co.	96.81
Bell, Gouinlock & Co.	96.25
McLeod, Young, Weir & Co.	96.00
A. E. Ames & Co.	95.31
Dominion Securities Corp.	96.7625
Murray & Co.	96.89
Municipal Bankers' Corp.	96.499
Nesbitt, Thomson & Co.	97.273
Gairdner, Clarke & Co.	96.664
Bird, Harris & Co.	96.30
Wood, Gundy, & Co.	95.83
Stewart, Scully & Co.	96.60

An issue of $10,000 township of Toronto 5½ per cent. 20 equal instalment bonds was awarded to R. A. Daly & Company on a bid of 101.11. The tenders were as follows:

R. A. Daly & Co.	101.11
Gairdner, Clarke & Co.	100.93
C. H. Burgess & Co.	100.78
Bain, Snowball & Co.	100.68
Municipal Bankers' Corp.	100.61
MacNeil, Graham & Co.	100.14
Dyment, Anderson & Co.	100.38
Matthews & Co.	99.76
McLeod, Young & Weir	99.50

The school commission of Chicoutimi, Que., has awarded $65,000 5½ per cent., 10-instalment bonds to John Murdock, at par. Tenders were as follows:

John Murdock	100.00
Rene T. Leclerc, Inc.	99.12
L. G. Beaubien & Co.	98.88
Bray, Caron & Dubee, Ltd.	98.27
Versailles, Vidricaire & Boulais	98.03
Municipal Debentures Corp.	97.32
Provincial Securities Ltd.	97.07

New Issue Offered By St. Lawrence Paper

MONTREAL.—Nesbitt, Thompson and Co. Limited, announce an issue of $2,500,000 6½ per cent. bonds of the St. Lawrence Paper Mills, Limited. In July, 1923, this company placed in operation a newsprint mill at Three Rivers, Que., containing two newsprint machines of 75 tons daily capacity each, a total of 150 tons per day, or 45,000 tons per annum. The first eight months' operations, after allowing for depreciation, showed earnings of $408,785, or at an annual rate of $613,176.96, or three and three-quarter times interest requirements.

As production is gradually being increased it is estimated that the annual earnings will amount to $650,000.

April Bond Sales

New Canadian bond financing in April amounted to $23,458,501 as compared with $15,938,712 in March. Of the total $22,408,501 was raised in Canada and $1,050,000 in the United States. For the first four months of the year the sales amounted to $140,237,391. The record is as follows:

Municipal	$ 9,258,501
Provincial	2,000,000
Corporation	200,000
Railway	12,000,000
Total for April	$23,458,501
Where Sold	
In Canada—	
Municipal	$ 8,208,501
Provincial	2,000,000
Corporation	200,000
Railway	12,000,000
	$22,408,501
In United States—	
Municipal	$ 1,050,000
Year to Date	
January	x$80,354,915
February	20,485,263
March	15,938,712
April	23,458,501
	$140,237,391

x—Includes Newfoundland, $3,000,000.

Interesting Bond Issues

Wide Margin of Safety in Rio 5's due 1935

The stability of the price of the first mortgage 5 per cent. bonds of the Rio de Janeiro Tramway, Light and Power Company during the past two years has served to emphasize among investors the exceptional security behind the issue. The bonds mature January 1, 1925, and the last sales were made at 85¾, yielding the purchasers approximately 6.85 per cent. To those familiar with the extensive properties securing the issue, and the wide market for the bonds, they represent an investment of sound merit and attractive possibilities.

The Rio de Janeiro Tramway, Light and Power Company is a member of the Brazilian group so well known for its demonstration of the ability and energy of Canadians in building up a huge foreign enterprise. The company was incorporated in Canada in 1904 to purchase and operate extensive public utility services in and around the city of Rio de Janeiro, Brazil, serving a population of 1,250,000. It has a tramway system with 251.55 miles of track, owned directly by the company, and the Jardin Botanico Company, of which it owns over 80 per cent. of the stock. All the lines are now electrically equipped, and the franchises extend to 1970, with exclusive privileges in some districts until 1940.

Owns Other Properties

The company also owns over 90 per cent. of the securities of a company holding the exclusive right to supply gas, including street lighting, until 1945. The same company has franchises for distributing electric energy for power and lighting until 1990, and the perpetual right to develop power. Several valuable power properties are owned and extensive plants are now in operation.

The company also owns the entire capital stock of the Rio de Janeiro & Sao Paulo Telephone Company. The latter has capital of $5,000,000 and bonds for $12,500,000, and has acquired the properties and businesses of a number of telephone companies which formerly operated in the district. These are being gradually consolidated into one comprehensive system.

The entire assets of the company on December 31, 1923 were $137,816,567, of which the chief items were properties, plant and equipment, $57,174,801; securities and advances to subsidiary companies, $28,956,166; rights, franchises, etc., $36,777,872. The net revenue for 1922, after paying bond interest of $2,456,844, sinking fund charges of $357,454 and provision for depreciation and renewals of $2,392,174, was $5,206,472, providing a wide margin of safety for bondholders.

The bonds are secured by a first mortgage on all the present and future undertakings of the company, real and personal property, tolls, income rights, powers and franchises owned at the time of issue or acquired subsequently Hence the $25,000,000 of bonds stand as a first charge against the enterprise and the specific properties. They are issued in denominations of $500 and $1,000, payable in London, Toronto or New York, and in $100 denominations payable in Toronto, London, Geneva, Brussels and Berlin at fixed rates of exchange. On acount of recent fluctuations in exchange this difference in the place of payment has been a factor in the price movements of the bonds. A sinking fund of one per cent. of the bonds outstanding was started in 1910, and on January 1, 1921, this totalled $3,703,678. The bonds purchased for this fund are not retired but they are kept alive and interest must be met on them as if held by the public.

Price Changes

During the war years the prices of the bonds showed a gradual drop from a high of 97 in 1914 as interest rates rose. In the fall of 1920 the general unsettlement and the complicated international situation drove the price down to 60½ and the $500 and $1,000 bonds payable in New York, and to 51 on the $100 bonds. At this point many investors realized the exceptional bargain which the bonds represented at current prices, especially since it was clear that the interest was payable at par of exchange, and substantial buying followed. In this year sales totalled $313,300, a much larger volume than in other years, and the price recovered to 74 in December. Since then they have risen slowly to the present levels.

Junior to this issue there were outstanding on December 31, 1922, a total of $24,184,817 of 5 per cent bonds due in 1958, and $45,000,000 of capital stock.

With assets of many times the value of the bonds outstanding, annual earnings available for payment of interest and sinking funds on this issue of several times the amount required, and a wide market, these bonds have been growing in favor among shrewd investors. A feature which is regarded with favor by many is the provision in the trust deed of the bond issue standing behind this, that substitute mortgages may be made to replace that securing the bonds when they mature. It is felt that some attractive refunding offer may be made to holders of these bonds when they mature.

BOND MOVEMENTS OF THE WEEK

Week Ending May 6.

BONDS	Int. Rate	Due Year	Yield	Range 1923 High	Range 1923 Low	Range 1924 High	Range 1924 Low	Latest Price Ask	Latest Price Bid	High	Low
Bell Telephone	5	1925	5.70	101	97⅝	100½	98⅝	99½	98½	99	—
Canada Cement	6	1929	5.78	103½	100	103½	100	101	100	101	—
Can. Cottons	5	1940	5.96	90	85⅝	90½	89	89	—	90	89
Cedar Rapids	5	1953	5.16	98¼	93	99	95	99½	97¼	97½	97
Dom. Textile (A)	6	1925	6.00	100¾	99¾	101¼	100	101	100	100	—
Do., (C)	6	1925	6.00	100¼	100	101⅛	100	—	100	100	—
Ogilvie	6	1932	5.77	102½	101	104	101½	102½	—	101½	—
Penman's	5	1926	6.31	97	93¾	97½	95	—	97	97	—
Quebec Rly	5	1939	6.73	83½	68	84	80	—	82¼	83½	83¼
Sao Paulo	5	1929	7.71	90¼	86	88¾	86¼	88	87½	88	—
Steel of Can.	6	1940	5.78	102¼	99	102⅝	100¼	—	101	102⅝	102¼
Wayagamack	6	1951	8.82	86¾	75	80¾	74¾	75	—	79	74¾
War Loan	5	1925	4.68	100.95	99.10	101.15	100.15	100.85	100.75	100.55	100.40
Do.	5	1931	4.89	101.80	99.80	101.90	100.15	100.90	100.80	100.60	100.50
Do.	5	1937	4.72	103.30	102.00	103.30	102.30	102.50	102.40	102.65	102.45
Victory Loan	5½	1924	4.50	101.65	99.80	100.90	100.05	100.55	100.45	100.40	100.20
Do.	5½	1927	4.71	103.50	101.60	103.15	102.15	102.60	102.50	102.60	102.35
Do.	5½	1933	4.87	106.70	104.15	106.65	104.60	104.95	104.85	104.85	104.60
Do.	5½	1934	5.16	103.90	101.30	103.30	102.20	102.60	102.50	102.70	102.45
Do.	5½	1937	4.81	108.45	103.25	108.17	106.60	106.85	106.75	106.85	106.60
Do., Renewal	5½	1927	5.08	102.80	100.75	101.80	101.00	101.90	101.70	101.60	101.35
Do., Renewal	5½	1932	5.20	103.15	100.80	102.75	101.85	102.30	102.20	102.35	102.00
D., Refund	5	1928	5.00	99.70	98.80	100.50	99.40	100.05	99.95	100.00	99.90
Do., Refund	5	1943	4.97	99.25	97.90	100.30	99.00	100.00	99.90	100.20	99.90

UNLISTED BOND MOVEMENTS OF MONTH

Bonds	Issued	Due	P.c.	1924 High	1924 Low	Monthly Comparison April 1st to April 30th Op'ng	High	Low	Close	Latest Quotation Bid	Ask'd	Bonds Sold
Abitibi	$3,890,000	1940	6	97	95¾	95¾	95¾	95¾	95¾	..	96¾	3000
Alabama T. L.	13,668,900	1962	5	73	68	73	73	71¼	71¼	72¼	..	21000
Algoma Steel	15,550,867	1962	5	38¼	26	35¼	38¼	35¼	38¼	36½	38¼	19000
Ames Holden	2,491,960	1947	6	45	44½	..	..	..	..	..	43	.....
Belding Paul	749,053	1936	5	87¼						86		
Belgo Can. Paper	8,000,000	1943	6	96¼	94¼	96	96	94¼	94¼	..	95¾	13500
Brompton P. & P.	1,750,000	1941	8	109½	107	107	109½	107	109½	108	110	2500
Brompton P. & P.	939,200	1939	6	..	..	..	..	..	..	..	..	.....
Burns Co. P.	3,500,000	1943	6½	100	..	..	..	..	..	98½	100	.....
Brandram Henderson	698,000	1939	6	91½	..	..	..	..	..	..	..	
Canada Steamship	6,000,000	1942	7	96¼	94	96¼	96¼	96¼	96¼	95½	96	19000
Can. Light & Power	6,500,000	1949	5	76½	75½	75¾	76½	75¾	76½	..	73¾	1500
Chicoutimi Pulp	1,834,000	1943	6	72	62	62	69	62	69	..	68	22000
Can. Car Scrip	1,483,689	1927	6	..	..	..	..	..	..	..	..	.....
Can. National Rys.	50,000,000	1954	5	99½	98¾	98¾	98¾	....	98¾	98	98½	1000
Can. North. Ry. Inc.	24,140,174	1930	5	53	51	..	..	..	..	..	..	.....
Can. Steel Foundries	3,650,000	1936	6	98¼	..	..	..	..	..	..	98	
Can. Pacific Ry.	12,000,000	1934	5	98.85	..	98.85	98.85	..	98.85	..	98.85	125400
Dom. Iron	7,071,266	1939	5	71½	70	70½	70½	70	70	..	70¾	13500
Davies Wm. Co.	2,500,000	1942	6	..	..	..	..	..	..	..	72	.....
Dom. Power	5,564,000	1932	5							91		.....
Dom. Textile	6,449,000	1949	6	103¼	101¼	102	102	101¼	101¼	..	102½	5500
East Kootenay Power	2,000,000	1942	7	96	..	96	96	..	96	..	..	100
Fraser Company	2,000,000	1941	8	106	104¼	105¼	105¼	..	105¼	..	105½	3000
Frontenac Brewery	1,100,000	1951	6	87	84	87	87	..	87	87	88	1000
Howard Smith Paper	2,576,200	1941	7	99	97½	98	98	..	98	..	96½	13000
Howard Smith Paper	489,600	1934	6					..			..	.....
Lake Superior Paper	5,000,000	1941	6	105	104¼	105	105	..	105	104¼	..	500
Laurentide Power	7,500,000	1946	5	97¼	95¼	95¼	96¼	95¼	96¼	95	96¾	9000
Laurentian Power	1,400,000	1936	6	96	..	96	96	..	96	..	97	500
Maple Leaf Milling	2,000,000	1943	6½	101						101	101	.....
Montreal Light, H. & P.	2,910,000	1933	5	98¼	96¼	98¾	98¼	97½	97½	..	..	5000
Manitoba Power	7,500,000	1941	7	100¼	97¼	100	100	..	100	..	99	10000
Mattagami P. Deb.	3,000,000	1949	7	22	21¼	21½	21½	..	21½	..	..	1000
Montreal Tram.	7,300,000	1924	6½	102	101¼							.....
Montreal Tram.	8,000,000	1929	6	99¼	97	99½	99½	97	97	96¾	98½	23500
Montreal Steel Works	750,000	1940	6	99½	99½	..	..	..	..	99	..	.....
Montreal Water & P.	979,935	1932	5	81	..			..			..	.....
Montreal Public Service	3,152,500	1942	5	78	..	78	78	..	78	76½	78	1000
Nova Scotia Steel	4,978,500	Deb.	6	75½	71	..	..	..	..		..	.....
Ontario Pulp	1,500,000	1931	6	104						105	..	
Price Bros.	10,000,000	1943	6	100	99	100	100	99¼	99¼	..	99	19500
Paton M'f'g. Co.	600,000	1953	6	95	90	95	95	93½	93½	..	94½	8500
Provincial Paper	1,105,000	1940	6	100	..	100	100	..	100	..	100	5000
Porto Rico Ry.	$265,000	1962	5	68								.....
Quebec Power	3,540,000	1953	6	95¼	94¼	95¼	95¼	95¼	95¼	94½	95¾	4000
Quebec Jac. Cartier	849,000	1931	5	86½	86½	86½	86½	86½	86½	..	86½	26000
Saguenay Pulp	5,400,000	1930	6½	81	80	..	..	..	..	..	..	.....
Shawinigan Cotton	968,000	1949	6		..			..			78	.....
Shawinigan W.	3,908,500	1934	5	102½	..	102½	102½	..	102½	101	..	4500
Shawinigan W.	6,000,000	1950	5½	101						102		.....
Southern Can. Power	4,637,500	1948	6	100¼	99	100¼	100¼	100¼	100¼	..	101½	6500
Spanish River P.	3,000,000	1941	8	107½	105½	106½	106½	105½	105½	105¼	106	19000
St. Lawrence Sugar	2,000,000	1932	6	89	..	..	..	..	..	89	..	.....
St. Maurice Valley Cot.	1,415,200	1952	6	75¼	75						77	.....
St. Maurice Power	9,026,600	1953	6½	[illegible]	108	106¼	106½	105½	105½	104½	105½	8000
Toronto Paper	750,000	1942	6	99½				..		..		.....
Wabasso Cotton	750,000	1942	7	98½	96¼	96½	96½	..	96½	..	96½	1000
Windsor Hotel	2,500,000	1943	6½	101	100½			..		100½	..	.....
West Koot. Power	1,750,000	1943	6	100¼	..	100½	100½	..	100½	..	..	1000
Western Power	5,000,000	1949	5	87½				..	87	87	..	.....
Western Power	500,000	1926	7	98½	97¼	98½	98½	..	98½	98	..	2500
Western Ont. Power	250,000	1931	6½	74	72¾	..	..	..	..	75	..	.....
Winnipeg Electric	3,250,000	1943	6	92	91½	92	92	..	92	..	92¾	4000

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due 1933-1952
Prices to yield 5.13% to 5.35%, depending on coupon rate and maturity.

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BANK OF TORONTO BLDG. TORONTO — 50 CONGRESS STREET BOSTON

THE STEEL COMPANY OF CANADA, LIMITED

Consolidated Balance Sheet as at December 31st, 1923

ASSETS

COST OF WORKS owned and operated by the company	$29,353,814 49	
INVESTMENTS in Coal, Ore and other Companies, and Company's own Bonds, including those acquired for Sinking Fund	3,848,553 88	
		$33,202,368 37
SINKING FUND ASSETS— In hands of Trustee		64 66
ADVANCES to Ore Companies		964,256 21
CURRENT ASSETS—		
Inventories of Raw Materials and Finished Products, less Reserve	$ 6,673,480 57	
Accounts Receivable	3,516,661 68	
Bills Receivable	146,273 54	
Cash on hand and in Banks	551,473 52	
	$10,887,889 31	
Victory and War Loan Bonds	2,499,164 90	
		13,387,054 21
SECURITIES SET ASIDE FOR SPECIAL PURPOSES—		
Stock of the Company held in Trust for Employees	$ 92,782 93	
Victory Bonds appropriated $300,000.00 for Employees' Pension Fund and unexpended revenue	335,013 76	
		427,796 69
DEFERRED CHARGES TO OPERATIONS— Insurance and other Expenses paid in advance		22,879 09
		$48,004,419 23

Approved on behalf of the Board,
ROBERT HOBSON, R. H. McMASTER, Directors.

LIABILITIES

CAPITAL STOCK AUTHORIZED—		
100,000 Shares at $100.00 each Preferred 7% Cumulative	$10,000,000 00	
150,000 Shares at $100.00 each, Ordinary	15,000,000 00	
	$25,000,000 00	
ISSUED—		
64,963 Shares at $100.00 each, Preferred 7% Cumulative	$ 6,496,300 00	
115,000 Shares at $100.00 each, Ordinary	11,500,000 00	
		$17,996,300 00
BONDS—		
6% First Mortgage and Collateral Trust Bonds, Authorized and Issued, due July 1st, 1940	$10,000,000 00	
less held in Treasury	1,649,904 00	
	$ 8,350,096 00	
Less redeemed through Sinking Fund	1,651,145 31	
		6,698,950 69
CURRENT LIABILITIES—		
Accounts Payable, including provision for Income Tax, 1923	$ 1,595,855 77	
Bills Payable	192,000 01	
Unclaimed Dividends	4,453 25	
Preferred Dividends No. 50, payable February 1st, 1924	113,685 25	
Ordinary Dividend No. 28, payable February 1st, 1924	201,250 00	
		2,107,244 28
EMPLOYEES' PENSION FUND APPROPRIATION		335,013 76
RESERVES—		
Furnace Relining and Rebuilding Reserves	$ 792,972 68	
Reserves for Accidents to Employees	84,811 82	
Contingent Reserve	546,667 23	
Betterment and Replacement Reserve	1,885,953 82	
Fire Insurance Reserve	200,000 00	
	$ 3,510,405 55	
Bond Sinking Fund Reserve	1,737,748 92	
Depreciation Account	7,048,508 28	
		12,296,662 75
SURPLUS— Balance as Per Profit and Loss Account		8,570,247 75
		$48,004,419 23

Verified as per our report of this date,
RIDDELL, STEAD, GRAHAM & HUTCHISON, C.A. Auditors.
Toronto, Ontario, 5th March, 1924.

CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED DECEMBER 31st, 1923.

Manufacturing Profits for the year ended December 31st, 1923, after deducting charges for Repairs, Maintenance and providing for Income Tax, 1923, but before providing for Depreciation and Bond Interest		$2,996,580 10
Interest and Income from Securities and Investments		287,887 71
		$ 3,284,467 81
LESS RESERVES—		
Bond Sinking Fund	$ 277,651 52	
Depreciation	677,236 93	
		954,888 45
		$ 2,329,579 36
LESS INTEREST ON BONDS		441,962 96
		$ 1,887,616 40
LESS DIVIDENDS—		
Preferred at 7% per annum	$ 454,741 00	
Ordinary at 7% per annum	805,000 00	
		1,259,741 00
Surplus for the year		627,875 40
Balance brought forward December 31st, 1922		7,942,372 35
Balance Profit and Loss December 31st, 1923		$ 8,570,247 75

Certified correct,
RIDDELL, STEAD, GRAHAM & HUTCHISON, C.A., Auditors.
Toronto, Ontario, 5th March, 1924.

CIVIC AND PROVINCIAL FINANCE

IRREGULARITIES SHOW NEED FOR FREQUENT AUDIT

Sydney Council Upheld in Dismissal of City Clerk

The action of the Supreme Court of Nova Scotia in dismissing the appeal of J. J. Curry, former city clerk of Sydney, against his dismissal by the council has opened the way for a complete audit of the city's books of the past 20 years since its incorporation.

An audit in 1922 revealed an apparent cash shortage of $5,000; and an apparent shortage in sinking funds of $9,000; and a further apparent shortage of $12,000 in December, 1921. Following this the council secured a bond to the effect that the $5,000 shortage would be made up within a year if the treasurer were unable to locate the missing money. D. J. O'Connell was appointed treasurer and Curry retained as clerk.

Alleged alterations in the books resulted in the clerk's dismissal and his appeal on the grounds that under the city charter he could be dismissed only for misconduct, and in his capacity as clerk there was no misconduct.

No general auditing system has been in force but it is now proposed to have a thorough review of the city hall operations by an outside firm independent of local influence. An expenditure of $40,000 has been authorized for this purpose but it is not expected that the cost will exceed half of this sum.

The trouble experienced in many municipalities due to discrepancies in the accounts, resulting frequently in revelations of defalcations, is causing concern to companies issuing fidelity bonds. In the opinion of many men who have been studying the situation there is need for a more thorough and efficient auditing. The danger in the present situation is pointed out by J. J. Smith, deputy minister of municipal affairs for Saskatchewan, in a letter to mayors and councils throughout the province.

Mr. Smith quotes from a letter received from the general manager of one of the leading guarantee companies of Canada asking for a more careful, thorough and expert audit of the books of municipalities and declaring that if this is not done "the bonding of officials of municipalities in the West may be placed upon the black list and very few, if any, surety companies care to write the risks unless a very much larger rate is paid than at the present time. He states further:

"I would like to emphasize the extreme importance of a thorough audit of the books, records and accounts of every municipality at frequent intervals. To this end the greatest possible care should be taken by the council in the selection of an auditor for the municipality. No person should be appointed as auditor who does not possess a thorough knowledge of municipal accounting and auditing."

It is beyond question that the great majority of municipal officials are conscientious and honest, often working hard in the best interests of their locality at ridiculously low salaries. An instance is seen in one branch of the city of Toronto administration, where a competent official with big responsibilities and the spending of many thousands of dollars annually, was paid $3,000 a year. Through the agency of a prominent business man this official's salary was increased and subsequent results amply justified the change. At the same time reports of irregularities are too frequent in Canada. Moreover they do not come from small places alone. In the case of one large city it was found that several employees were bonded but a higher official, who was convicted of securing money by illegal means, was not.

The opinion of auditors and municipal experts is that the solution lies with the elected councils by demanding frequent audits by men in no way connected with the civic service. It is also urged that higher permanent officials should be held responsible for administration in a more direct way and paid accordingly.

Masons' Wage Dispute Settled at St. John

From Our Own Correspondent.

ST. JOHN, N.B.—The threat of members of the St. John Builders' Association to import masons, plasterers, and bricklayers, proved effective in achieving a settlement of a wage dispute. The 1923 scale had been ninety cents per hour. For 1924 $1.12 per hour was requested. This the builders refused to pay, resulting in discontinuance of work on some existing contracts. The union held out for the new wage, and the builders were equally adamant.

Then developed the threat to bring men from Quebec and also from other parts of the Maritime provinces. There followed the execution of a compromise agreement at one dollar per hour, and the return to work of those men who had been employed on the existing building contracts.

Will Alberta Lose Big Profit on Beer Sales?

From Our Own Correspondent.

CALGARY.—Will the brewery companies of Alberta demand an exorbitant price for beer when the Liquor Control Act comes into operation? Mayor George H. Webster, and other leading citizens, declare that the proposed price of 15 cents a glass at hotels, and $4.15 a case of two dozen pint bottles for home consumption, is altogether too high. It is suggested that the provincial government be urged to allow the importation of beer from outside provinces so that the beer sales in Alberta are not handed over to a monopoly.

When the bill was before the legislature, Hon. J. E. Brownlee, attorney-general, stated that it was not the intention of the government to go into the business of handling beer on a large scale through the government vendors because it was too bulky. It is expected that the province will derive considerable revenue through the government vendors and the question is being asked, if the price of beer is to be so high why shouldn't the government reap the big profit from it?

AUTO CONTRIBUTES $11,500,000 TO TAXES

Adds Greatly to Revenues of The Nine Canadian Provincial Governments

From Our Own Correspondent.

MONTREAL. — The automobile created new problems for cities and provinces by making necessary better roads; not only more roads and wider roads but roads built to stand rougher usage and to last up under the incessant grind of rolling tires. It made necessary the capital investment of many millions of dollars in new highways that added greatly to provincial burdens of debts.

The automobile is, however, paying its way and is probably producing a revenue more than sufficient to pay the charges on the capital investment in good roads that it made necessary. During 1923 the nine Canadian provinces collected nearly $11,500,000 from motorists in license fees, gasoline, taxes, etc. This did not include fines paid into local courts. The revenue from motor vehicles in each of the provinces was as follows:

Province	No. of cars	Revenue
P. E. I.	2,455	$ 52,503
N. S.	18,354	486,279
N. B.	16,829	376,966
Quebec	72,448	2,231,494
Ontario	280,996	4,292,504
Manitoba	42,428	797,355
Sask.	67,279	1,125,226
Alta.	44,841	997,947
B. C.	41,053	1,066,359
Yukon	81	877
Total	586,764	$17,427,510

LESS FINANCING AT HAMILTON

The amount of debentures to be issued by the city of Hamilton this year will be considerably less than in 1923, according to W. H. Davis, city treasurer. The total for local improvements is $1,100,000. In addition there are waterworks $123,180, highway bridges, $337,409, sewers $282,000, bringing the total up to $1,842,589. There may also be some large Hydro issues later. This compares with a total of $2,876,000 last year, the reduction being due largely to lower expenditure for school buildings.

TAX RATES FOR 1924

Lincoln County	20 mills
Greater W'peg Water	6.61 "
Point Grey	44.5 "
Wallaceburg	53 "
Brampton	40 "
Dunnville	43 "
Parry Sound	55 "

Tenders and By-Laws

TENDERS WANTED

May 10, Sorel.—$160,000, 5½%, 15-yr. bonds. A. O. Cartier, Clerk.

May 13, Calgary School District. — $87,500.

May 12, Vancouver.—$320,000, 5%, 15 and 40-yr. debentures. A. J. Pilkington, City Comptroller.

May 16, Brampton.—$15,450, 5½%, 10 and 20-yr. debentures. C. M. Corkett, Clerk. (Se announcement on page 16.)

May 26, Three Rivers.—$390,000, 5½%, 20 and 30-yr. bonds. Arthur Nobert, Treasurer. (See announcement on page 16.)

SASKATCHEWAN

Authorizations Granted by the Local Government Board from April 17 to May 2, 1924

Schools—Alingly, $32,000; Trosley, $3,000; St. Mary, $800; Foxford, $3,600; Indian Creek, $3,000; McPherson, $2,700; Flint, $3,000; Hardy, $6,800; Long Range, $2,000; Dante, $1,500; Eston, $21,000; Forest Nook, $3,400; Andresheim, $1,500; Thorndale, $3,500; Mount Marie, $1,750.

Rural Telephones—Bluffview, $750; Wakau Lake, $2,100.

Village of Success—$1,500.

Town of Radville—$27,000.

City of Regina—$47,170.

Debentures Reported Sold

Schools—Grand Coulee, $17,000, 20-yr. 6½%, Regina, P. S. S. Fund. St. Alexis, $2,000, 10-yr. 7¼%, Regina Brokerage & Inv. Co. Briercrest, $8,000, 15-yr. 6¼%, Gt. West Ins., Winnipeg. Grand Ravine, $3,000, 15-yr. 6½%, Regina Brokerage & Inv. Stone, $3,900, 15-yr. 7½%, Regina Brokerage & Inv.

WILL INHERITANCE TAX BE LEVIED TO HOLD UP REVENUE?

Conference of Taxing Authorities Being Arranged For Fall

From Our Own Correspondent.

OTTAWA.—As a result of strong representations made to the Government by representatives of boards of trade and other public bodies, it has finally been decided to hold, during the fall, a conference on taxation between representatives of the federal and provincial governments. It is understood that this was to have been held last fall, but the illness of Hon. W. S. Fielding put it off. Hon. J. A. Robb, acting minister of finance, is quite convinced of the desirability of the Dominion and provincial governments getting together on this matter, and it is probable that something of a worth-while nature will result from this meeting.

The demand for the levying of a heavier inheritance tax is a matter that is bound to force these governments to pay more attention to their respective spheres of taxation. There is good reason to think that the inheritance tax is certain to become an important factor in taxation at no distant date. With the income tax in the United States being forced down, Canada will have to move in the same direction. However, with Parliament to such an extent in the hands of a low tariff party it will be impossible to make good the loss of revenue through the income tax by higher customs duties as has been done in the United States. So in the search for new revenue the inheritance tax is quite likely to receive consideration.

If revenue continues to drop as it did during April, to the extent of about $3,900,000 below that for the same month last year, the Government will soon have a problem on its hands in trying to make ends meet. Customs revenue is likely to decline still further as a result of the tariff cuts, while the rebates on the sales tax are eating rather deeply into the sales tax collections.

$460,000,000 Advanced to National Railways

OTTAWA.—Canada has advanced in cash, since the taking over of the Canadian National Railways in 1917, $495,653,320, up to March 31, 1924. In addition to this, bonds to the value of $189,,293,000 have been guaranteed by the Government, in addition to guaranteeing interest on Grand Trunk Railway securities worth $216,207,141.

HOW DEBENTURE INTEREST MOUNTS UP

(London Echo)

A statement recently given out by the city auditor reveals what financing by debentures means to the ratepayers. Some thirty years ago the city council, in order to retain the Grand Trunk car-shops, which had been destroyed by fire, in London, decided to grant the company a bonus of $100,000, and debentures for that amount were issued. This debt has finally been paid off, and the auditor gives out the information that the actual cost of the $100,000 debentures to the city was the sum of $220,000. In other words, for the use of $100,000 borrowed for the period of thirty years the city paid in interest at four per cent. $120,000, or $4,000 per year. The auditor very properly points out that in all instances the ratepayers should consider the amount that must be repaid rather than the amount of the loan merely. The contrary, however, is the custom. When a debenture issue is under consideration it is rarely anyone is heard referring to the amount the loan will cost; only the $100,000, or whatever the amount to be borrowed may be, is ever mentioned. so, too, when the total debenture debt is being added up—it is the face of the debentures, not the amount that must be repaid, that is figured on. Manifestly the economical plan, whether it be a municipality or an individual, is "pay as you go" when it is possible to do so. This might be possible to a considerable extent in the case of London or any other ctiy but for the adoption of the local improvement law. Were pavements, sidewalks, curbs, gutters, etc., made a charge on the general taxes each year the mill rate would be higher, but this would be more than offset by the absence from tax bills of any items for local improvements. To avoid the latter ratepayers have opposed, in many instances successfully, the making of improvements on streets on which their properties front, and this has resulted in many London streets still being unpaved. On the other hand, if such improvements meant no special charge to any one, every ratepayer would want his street paved. The saving effected would be the amount of interest that would result from borrowing the money to do the work. The point is brought plainly before the owner of, say, a forty-foot frontage who pays thirty dollars or more a year for ten years for his half share of the pavement in front of his lot, at least one-half of which amount is eaten up in interest.

OUR PRAIRIE FISHERIES

WINNIPEG.—The total value of the commercial fisheries of the prairie provinces in 1923 was $1,745,975, comprising $1,020,595 for Manitoba, $286,643 for Saskatchewan and $438,737 for Alberta. All of the provinces show increased production, the total increase over the previous year for the three provinces amounting to $260,583 or 17 per cent.

The Busy Executive

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E138

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The issue is a First Mortgage on property and real estate valued at $1,799,000. This is equal to over seven times the amount of the issue. Earnings are at the rate of four times total interest charges. The security, therefore, is ample. In addition, the Principal, the Interest and the annual Sinking Fund are guaranteed. Payable in New York and Montreal.

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PRICE OF GAS ADVANCED

Natural gas prices in Windsor will go up about 7½ cents per 1,000 feet as a result of a decision announced to-day by the Ontario Board of Gas Reference. The present rate for domestic use is 50 cents per 10,000 feet. The new rate fixes the price at 57½ to 60 cents for the first 10,000 feet and 75 cents for 20,000 feet or more for the period from October until April. During the other five months of the year a flat rate of 85 cents will be charged.

PROGRESS BEING MADE DESPITE TARIFF CHANGES

(Continued from page 1)

ally abundant, and the crops now have a very satisfactory start. Seeding on the prairies has been generally satisfactory. The fall wheat crop in the East is looking well. Western farmers are putting in less wheat but are increasing fodder crops for feeding stock.

Better Outlook for Farmer

The British market for Canadian cattle has recently displayed increased strength and prices rose despite larger offerings. The Bristol and Liverpool ports are again open to receive Canadian store cattle. Increasing activity has been evident in the various branches of the dairy industry throughout Canada. With the spring expansion of butter production the precipitous decline in prices continues, and stocks are still heavier than normally at this time of year. The foreign market, however, offers a more hopeful outlook. World stocks are lower than last spring, and the London market is 25 shillings per cwt. higher than at this time last year. The uncertain factors as far as European demand is concerned are the productive capacity of Latvia and Denmark, and also of Argentina. There seems to be a tendency of late for the Canadian trade to shift its interest to the American market, owing, not only to proximity, but also to the favorable position which Canadian butter occupies in that market. According to present indications, domestic prices will probably reach an export basis before the season is far advanced. The cheese situation is not so favorable. With stocks heavy, prices may easily go below the present low levels, particularly since our fodder cheese is competing in England with the New Zealand grass product. Considerable dissatisfaction is expressed in many quarters with regard to the new government regulations concerning branding of grades.

B. C. SALMON PACK

VANCOUVER.—From the first of the current pack year to the end of March, a total of 868,788 cases of canned salmon were exported from this port. The largest single shipment, amounting to 26,684 cases, went to the West Indies and French ports.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES.

Date—	Place—	Sold To—	Rate	Term	Amount	Price	Basis
May. 5	County of Renfrew	Bank of Nova Scotia	5½%	20-ins.	$100,000	101.332	..
May. 6	Caledonia	Nesbitt, Thomson & Co.	5%	20-ins.	90,000	97.273	..
May. 3	Toronto Township	R. A. Daly & Co., Toronto	5½%	20-ins.	10,000	101.11	..
May. 1	Kitchener	Dominion Bank, Toronto	5½%	10, 20, 30-yr.	258,000	100.71	..
Apr. 22	Chicoutimi	John Murdock, Chicoutimi	5½%	10-ins.	65,000	100.00	..
Apr.	Calgary	Spitzer, Rorick & Co., Chicago	5½%	20-yr.	1,050,000	92.78	5.95
May. 2	Saskatchewan Schools, etc.	Various	..	..	36,970	..	..

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To make it as easy as possible for those "bearing the burden in the heat of the day" to carry life insurance adequate to their needs—that is the motive of the Mutual of Canada. The company issues annual dividend policies so that the refunds are available year by year to reduce the premiums, or the dividends may be accumulated at interest until, being added to the reserve, the policy becomes paid up or matures. As the company is operated on the mutual principle, the dividends are as liberal as possible, every dollar of surplus being used to lighten the burden of protection. In other words, we aim "to provide the largest amount of genuine life insurance for the smallest possible outlay." This year our dividends have been again increased, and the cost of insurance correspondingly reduced. Our method is economical, equitable and democratic, securing "maximum benefits at a minimum cost."
Assets $59,727,388—31/12/23—Assurances $269,982,566.
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WATERLOO - - ONTARIO

The Independent Order of Foresters
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TOTAL BENEFITS
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5% Interest Return
INVEST YOUR SAVINGS
in a 5% DEBENTURE of
The Great West Permanent
Loan Company
SECURITY

Paid-up Capital	$2,414,663.00
Reserves	1,100,000.00
Assets	6,184,420.00

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Protection with Profit
Profits Reduce
Twenty Payments to Fourteen
Policy 43485, issued in 1909, called for 20 premiums, but Great-West profits reduced this to 14 premiums.

Amount: $7452 Premium	$ 246.70
Earnings credited 1914	197.85
Earnings credited 1919	353.40
Earnings credited 1923	557.45
Total end of 14th year	1108.70
Required to pay future premiums	1046.70
Cash Surplus to Assured	$ 62.00

Although no further premiums are to be paid, the policy will continue to participate in profits.
The Great-West Life Assurance Company
Head Office - Winnipeg

May Day Demonstration Shows Strength of the Reds in C.B.

(Continued from page 1)

as that of 1923. Glace Bay was en fete for the occasion, and thousands of people—principally miners, all workmen—came in from the numerous mining towns around and lined the streets to cheer the procession on its way. The only thing missing was the big red flag and its place was supplied by five or six lesser crimson banners.

It was said to be the intention to carry another big red banner, but Chief of Police Costey saw the organizers of the parade and persuaded them to drop the trouble maker in favor of less belligerent streamers.

Afterward as many as could get in, jammed into the Savoy theatre, where the usual Communistic speeches were made by J. B. McLachlan, Miss Annie Buller, imported from Montreal for the occasion, and Tom Bell, who recently relinquished the editorship of The Maritime Labor Herald.

The only defections from the ranks on this occasion were the local members Waye, Morrison and Steele, who found conveniently urgent business which kept them at their legislative desks in Halifax.

Sang Communist Songs

In the theatre a large juvenile choir, composed of boys and girls, sang the carefully rehearsed Communist songs, the "International," "Solidarity," and a revised version of "The Red Flag." "The Red Flag," by the way, is becoming generally known throughout the east. It is easy to sing, because it goes to the universally popular Civil War tune "Maryland."

Here was illustrated another dangerous phase of the Red propaganda in Cape Breton—the teaching of Communist doctrines and principles to children of tender years. Although no one has ever been able to catch them at it, there are well-defined rumors that for a long time past Red "Sunday Schools" have been conducted in the district around Glace Bay.

While such teaching is probably confined to children whose parents are already in the movement and are willing that they should be taught, still when it is remembered that these Communist kiddies attend the public schools and mingle with the other children, the effect in the long run is certain to be the arousing of sympathy with Communist principles in a majority of the rising generation.

Such commonplace activities as classes for young men have been going on here so long that everybody is used to them. They were started by W. U. Cotton, when he came east to operate the Labor Herald back in 1921.

The local Reds no longer take the trouble to conceal their affiliations with Moscow and the fact that they are in communication with the Soviet regime. Directions for the present May Day celebration were printed some time ago and placarded at convenient points throughout the district. The bill posters even stuck them to the railway cars of the Dominion Coal Company. The company police frustrated this attempt at securing billboards on wheels, by tearing down as many as they could find.

Nor is this all. The Workers' Party has come out as the Canadian branch of the Communist Internationale and eastern Nova Scotia is officially known as District No. 1.

In the Maritime Labor Herald (60 per cent. of the stock of which is owned by U.M.W. locals) the Reds have a fairly efficient local vehicle of propaganda, and the depression and labor troubles of the last four or five years have aided immensely in tilling the soil to a proper condition of receptiveness. The fact that Jim McLachlan has recently taken over the editorship of the Herald will not lessen its dangerous qualities. McLachlan has an uncanny faculty of putting his finger on the sore spot and pointing the moral in words few and succinct.

People are beginning to ask themselves where is all this to end? The authorities have tried jailing the leaders when they transgressed the law, they have seized the Red flags, but all to no avail. The leaders get out of jail, the orators continue to orate, the teachers to corrupt the minds of the young, and the junior choirs chant the Internationale, while the Herald Weekly stirs up the whole mess and keeps it boiling.

There is a growing opinion that somebody has got to start a counter movement unless complete anarchy is to reign in Canada's oldest province.

N. B'S. AUTOMOBILES

FREDERICTON.—More than $100,000 has been received in automobile license fees so far this season at the Motor Vehicle Branch of the Public Works Department. These figures show a considerable increase over the figures of any previous year up to this time.

INSURANCE FOR BUYER AND SELLER

OFFER INSURANCE AS SINKING FUND FOR $40,000 LOAN

Plan to Cover Lives of Twenty Club Members

Can life insurance be used to advantage as direct security for a loan and as a sinking fund for its retirement at maturity? This is a question raised by an enquiry to THE FINANCIAL POST, during the past week. The circumstances necessitating the loan are, stated by the enquirer, as follows:

"A company is being formed to build and equip a club room. Two manners of raising the money are being advanced, that is I mean the balance that is required for the purpose, after all subscriptions have been collected. We'll say that we need $40,000, we can borrow the sum from a loan company at a certain rate of interest, say 7 per cent., giving a mortgage security. The other plan is by insurance, we select 20 members whose age, individually is 21 to 25 years say, to be definite, 25 years, each $2,000 insurance at a premium of $39 per M. or for 15 years at $48.50 per M., (in the first instance the time is 20 years) and additionally we pay the insurance company 7 per cent. yearly.

"With the insurance company we have the right to pay off the amount or any fraction at any time. The interest is no higher than 7 per cent., but lower if the market receded.

"The insurance company guarantees each $1,000 earning power to $400 in the 20 year class."

The use of insurance in this connection has been growing in recent years, especially where borrowing is done by a firm, the success of which depends very largely on personal factors such as the careful attention, experience and ability of active partners or executive officers. Similarly in loose organizations such as clubs, associations, etc., attempts to tighten up factors bearing on the credit of the body concerned have been made by securing life insurance on interested parties.

In this case the offer of the loan company is a fair one, requiring a definite rate of interest for a period, likely to be five years. There is the possibility that the loan may be renewed at the same or a lower rate of interest at that time or a renewal may be refused and difficulty experienced in securing one of that amount elsewhere. There is also a danger that the club members will neglect to build up a fund to reduce the loan by the amount of depreciation of the buildings.

The insurance plan is to issue policies totalling $40,000 and immediately to make a loan against these for the whole face value. It is also assumed that the property will be pledged as security for the loan. In this plan the club is assured of the loan for a period of 15 or 20 years, if it is required, instead of five years. The maximum rate of interest will be 7 per cent. and this may be reduced if current mortgage rates become lower. If any of the insured members die within the duration of the loan the money paid on the death claim will be used to reduce the loan.

Provide for Retirement

The outstanding advantage of the latter plan is that it provides definitely for the retirement of the debt at or before maturity. The insurance company is interested in keeping the policies in force, hence there is an agency to see that the payments are met promptly each year. In this way the policies contain growing equities in their cash surrender values, with which to pay off the loan. This is an important point, which those loaning money are stressing more now than formerly. The experience of the past reveals many instances where sinking funds have been commenced and later allowed to fall behind through carelessness, giving rise to difficulty at the maturity of a loan. One disadvantage of the plan is that of keeping closely in touch with those insured. It is unlikely that all of the insured will remain active members for the whole 20 years and reside in the district during that time. Consequently it devolves on the official of the club to maintain a contact with these members as no death claims will be paid by the insurance company without proof of death.

Par or Non-par?

Another consideration in this case should be whether participating or non-participating policies would meet the needs best. Participating policies are good in successful companies and many policyholders have reaped substantial returns from them. Yet in this case the insurance is to provide a definite sum for a specific purpose. Hence it may be maintained that club members should not be asked to make the higher yearly payment to meet participating premiums and pile up a surplus over the amount required to mature the loan. On the other hand arrangements might be made with the insurance company to pay the accumulated profits and the cash surrender values when these amount to $40,000, the money being used to pay off the loan and the policies being dropped. The time when this would be possible would depend on the profits earned. The net result would be that, by making higher payments each year, the loan would be wiped out sooner.

The advisability of making loans when securing life insurance has been a subject of much discussion among insurance men. Some companies encourage these loans on the grounds that it enables them to get business and keep more closely in touch with borrowers. Other companies have refused to consider loans of this sort, taking the view that the insurance is likely to be an inducement held out to a loan on inferior security.

ABSENCE OF ACCOUNTS DOESN'T VOID POLICY

Montreal Judge Holds Cash Register Sufficient Record of Loss Under Theft Policy

Surprise has been expressed in some insurance quarters at the decision of Mr. Justice Surveyer, in Montreal, awarding a claim to R. L. Latraverse, a butcher, under a theft policy, even though the insured did not keep books of account as required in the policy. On the night of February 17, a robber entered the plaintiff's store and emptied the cash register. The insurance company refused to pay the claim on the ground that he had failed to prove his loss according to a clause of the policy. This plea was dismissed by Mr. Justice Surveyer who held that the amount indicated by the automatic register was sufficient proof of loss under the circumstances.

In defence the company invoked a clause which declared that the company should not be liable for any loss, unless books of account were kept by the insured, so that the amount of loss could be determined accurately by the company from these books. It was alleged that Latraverse had not kept books of account as required, and that he had not, therefore, made the proof of loss required by the policy.

Mr. Justice Surveyer declared that this clause in the contract could be interpreted according to the Civil Code, which states that all the clauses of a contract are interpreted the one by the other, giving to each the meaning derived from the entire act. According to this interpretation, the plaintiff should not be deprived of the insurance, because of failure to keep books of account. In the case of a small merchant, such lack of book-keeping should not entail failure to recover insurance, especially when the stolen goods did not comprise merchandise of which the quantity and price could only be ascertained by well-kept books. As the amount stolen was, moreover, indicated by the cash register, the court held that the claim had been legally proved, and judgment was given for the plaintiff, with costs.

Claims under such policies are usually made for merchandise stolen and it is evident that the companies are justified in seeking protection against overestimates of the values. In the case of theft of money the attitude of the companies has been that the cash register may be altered after the theft, exposing them to a moral hazard in this connection. On the other hand, it is pointed out, the insuring company can learn in many cases at the time of the application whether proper books are kept. Where they are not, the insurance should not be issued.

Ask For Reduction in Northern Life Capital

Application has been made to the Dominion Parliament to reduce the paid-up capital of the Northern Life Assurance Company from $511,000 to $250,000. G. D. Finlayson, supported the bill before the Committee on Banking and Commerce, and pointed out that the plan is a sound one and in the interests of both the policyholders and shareholders of the company.

The company has authorized capital of $1,000,000 with over half of it paid up. However, shares have been issued with various amounts paid up on them. Thus, some shares are fully paid up, some 10 per cent. paid up, and 133 shares on which no payment has been made at all. The reduction in the capital will be $261,000. Approximately $120,000 of this, it is understood, will be transferred to the non-participating policy fund, and the balance will be returned to the shareholders.

Two or three amendments to the bill are being prepared as suggested by members of the Committee on Banking and Commerce, and when these are ready it is expected that it will be reported. Since the change in control of the company several weeks ago steps have been taken to extend its operations and a number of field appointments have been made recently.

ADDS TO HEAD OFFICE

The Dominion Life Assurance Company, Waterloo, is making a large extension to its head office building. The new addition will be fireproof, constructed of concrete and steel and the cost is estimated at approximately $70,000.

UNION OF CANTON CHANGES

It is announced by C. R. Drayton, manager for Canada and Newfoundland of the Union Insurance Society of Canton, and the British Traders' Insurance Co., that a new executive position of fire manager for Canada and Newfoundland has been created, owing to the growth of the business. Colin E. Sword, of Montreal, has been appointed to the position.

Mr. Sword is well and favorably known in insurance circles as manager for Eastern Canada of the London & Lancashire Insurance Co., and its various associated offices. His long service with that organization extends over a period of nearly 30 years. Commencing at the head office, in England, he has spent the last 18 years in executive positions in Canada, and has gained much valuable experience in the various classes of insurance transacted by the London & Lancashire group.

J. A. Jessup will continue in charge of the casualty department.

CLAIM FIRE RATES ARE TOO HIGH ON ANGLICAN CHURCHES

Find Dangers in Proposal to Start New Company

Dissatisfaction in the Anglican Diocese of Montreal over the rates charged for fire insurance on churches culminated in a proposal at the annual meeting of the Synod, to start a fire insurance company. The subject was thoroughly discussed after the report of the fire insurance committee recommended that a company be formed. While the feeling was strong that the prevailing rates are too high in view of the experience among Anglican churches, the dangers of rushing into new developments were presented and the matter was left to the executive committee for further consideration.

Plan as Proposed

While the ultimate aim was a company for the whole church in Canada, for the present the committee recommended to the Synod the formation of an insurance company to be known as the Montreal Diocesan Fire Insurance Co., the paid-up capital to be $15,000, provided by subscriptions from individuals or parishes, such subscribed capital to be repayable to the subscribers as the accumulated reserve funds of the company warranted repayment. Such subscribed capital, if provided free of interest charges, would become a source of revenue to the company, it was pointed out. It was suggested that the company might issue 100 shares of common stock of no-par-value to be held by the Synod. This would represent the control of the company. The company, so organized and capitalized, should assume all risks in the diocese, that parishes wished to place with it, below $4,000 and the sum of $4,000 on larger risks, reinsuring such portions as might be deemed expedient.

Continuance of the present rates being paid to companies now carrying the risks was advocated until an adequate reserve fund had been built up. This plan was drawn up after favorable answers to a questionnaire were received from a large proportion of the parishes.

Churches have not been considered good risks by the companies, being classed with halls, lodges, etc. Losses have on the whole been heavy and higher than in some other classes. In pressing the need for a readjustment of classification W. S. Campbell said:

"Reports show that there was something over $3,400,000 fire loss in churches and convents in Quebec during 1922, all Roman Catholic. We know the added risks, from candles, and so on. I consider the basic premium too high, and the surcharge added for such risks as lighted candles not sufficient."

John Emo, an insurance man, pointed out that the rates would likely be reduced when the present panic dies down. While commending the idea of an insurance fund for the whole of the church in Canada, he advised caution on any purely local plan. The frequent difficulties of mutual companies operating in many communities were referred to and the possibility of heavy losses at any time, even though the record of years has been a favorable one.

There is feeling in many business circles that a body may carry its own insurance by establishing a fund, where its properties are widely scattered and concentrations of high values are avoided. Yet in many large and well managed corporations, with the best advice available, it has been considered advisable to place insurance with regular insurance companies.

Travellers of Canada Seeks Change of Name

Among the bills considered by the Committee on Banking and Commerce at Ottawa, is one to change the name of the Travellers' Life Assurance Company of Canada to the Montreal Life Insurance Company. Officials of the company have been preparing for this change for some time. It is thought advisable on account of the fact that this company is frequently confused with the Travelers' Insurance Company of Hartford. The company has been extending its business rapidly and, as its head office is in Montreal, the new name is considered a good one. Arthur P. Earle is vice-president and manager.

The Travellers' Life Assurance Company had its first "million month" in April. The total amount of insurance applied for in that month was $1,059,000. $650,000 of the total was written in Montreal alone, through the work of the company's 59 agents in the Montreal field. The business written for the month covered 452 completed cases.

INSURANCE LICENSES

The following licenses have been issued by the Department of Insurance, Ottawa:—To the Pacific Coast Fire Insurance Company, to issue automobile insurance; to the British Traders' Insurance Company, to write fire, automobile, and sprinkler leakage insurance; and to the London & Provincial Marine and General Insurance Company, authorizing it to transact in Canada, fire, accident, automobile, burglary, guarantee, plate glass, sickness, and sprinkler leakage insurance, and insurance against damage to property of any kind caused by the explosion of natural or other gas. P. L. Monkman, has been appointed chief agent in Canada.

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The Imperial Canadian Trust Co.
Executor, Administrator, Assignee, Trustee, Etc.
Head Office, Winnipeg.
Branches: Saskatoon, Regina, Edmonton, Calgary, Vancouver and Victoria.

THE CANADA NATIONAL FIRE INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, CANADA
TOTAL ASSETS $2,928,337.62
TORONTO, 24 Adelaide St. W.
W. H. George, Superintendent of Agencies

FIRE AUTOMOBILE MARINE
British America Assurance Co. (Incorporated 1833)
British Empire Underwriters Agency
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Head Offices: 22 Wellington St., East, Toronto
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RIOTS and STRIKES EXPLOSION

When Remitting
BUY
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MONEY ORDERS

IRRIGATION WATER SUPPLY CUT OFF

Canada Land and Irrigation Company Owes About $100,000 For Taxes

From Our Own Correspondent.

CALGARY.—Every effort will be made to secure some relief for the settlers on the lands of the Canada Land and Irrigation Company, near Medicine Hat, whose water has been suddenly cut off owing to the company being in financial difficulties. This is the statement of Premier Herbert Greenfield, but how it will be accomplished is not at present known owing to the fact that the Dominion government has refused to take any action until a receivership has been appointed.

The company involved is one of the oldest irrigation concerns in Alberta, having begun its scheme some fifteen years ago. Its overhead costs have always been heavy and at the present time it owes the province some $100,000 in arrears of taxes. Millions of dollars have been involved in the enterprise, the bulk of which has come from Britain.

Insurance on Jewelry Has Been Unprofitable

The adverse experience of companies issuing insurance on jewelry, particularly on diamonds, has led Lloyd's, of London, the world's biggest insurance company, which reinsures much of this business, to cancel large policies in the United States. The policies which have been in force have been broad in their cover, protecting owners of jewels from loss in a number of ways, including theft, misplacement, damage, etc. It is hinted that new policies with increased restrictions and higher premiums will be issued.

Brokers in Canada have had no definite instructions as to whether the changes will apply to Canada. While the loss ratio has not been so heavy here the balance of opinion is that any changes in the United States will be applied here. The insurance, which is written with a $50 minimum premium, does not cover stocks but rather privately owned goods, and the volume in force here is small.

CASUALTY MEN PROMOTED

At a meeting of the Board of Directors of Merchants Casualty Company held at Waterloo, T. J. Barrell, assistant secretary, was appointed secretary of the company, and W. S. Harvey, accountant, was appointed treasurer.

MARINE RATES UNCHANGED

ST. JOHN, N.B.—The citizens of St. John have a special interest in the long battle for lower rates on marine insurance to North Atlantic ports. Vigorous protests against the alleged discrimination have been made by the Board of Trade. It is contended that there is less hazard as far as the port of St. John is concerned than most other ports on the Atlantic. No changes have been made, however, by the insurance companies as yet.

KEEN COMPETITION IN BUILDING; WAGE SCALE MOVES UP

Large Number of Tenders Indicate Scarcity of Big Building Undertakings

LABOR MORE EFFICIENT

General Opinion is That Workers Are Taking Less Than Scale in Closely Figured Jobs

Competition in the building trade is keener this year than it has been for some considerable time. Large jobs are rather scarce with the result that any new work brings a host of tenders. This competition is resulting in close figuring on the part of contractors and represents the only saving in construction costs. Wage scales are really higher while the price of materials seems stabilized with fluctuations narrow. It is to be noted that close tenders are having another effect. Most of them range below the architect's figures. This is resulting in a higher efficiency on the part of contractors and the latter in turn are demanding a higher efficiency from their men.

In connection with the efficiency of labor in the building trades, it is contended that comparison with 1914 is not a fair method, there have been so many changes in methods and materials. However, 1920 is regarded as a fair basis of comparison and a material increase in efficiency is noted.

A review of the existing wage scales in the building trades for the last nine years shows that there has been a steady rise with slight indications of stability in the last few years until this year. This indicated increase, however, is not as serious as would at first appear as the opinion is that cutting under this scale, while not general, is fairly rampant and is bound to become more so with competition for business growing steadily keener. Thus the existing wage scales can hardly be taken at their face value. At the present time there are negotiations for higher wages going on with one branch of the industry. Plumbers have been offered an increase of 10 cents an hour. Bricklayers and plasterers have both secured an increase of 25 cents. There is a shortage of plasterers and some contractors have been getting over the high wage by employing more plasterer's assistants. Stonecutters have asked for an increase, but the reply sent them is that competition in the industry forbids granting their demand.

An important development of late in the building industry has been the offering of young men and boys to serve as apprentices. There is said to be a fair waiting list of these. There have been few apprentices trained during the past few years. In the first place there was a reluctance on the part of boys to take up this rather arduous work and an equal reluctance on the part of contractors to take them on, being unable to see sufficient work ahead to keep the boys employed while serving out their apprenticeship.

Most of these figures are based on Toronto experience, but are believed to be indicative of the general situation throughout the Dominion.

Construction awards for the whole Dominion so far this year show a decrease of 6 per cent. compared with 1923. MacLean's Building Reports says there has been a falling off in residential construction, business and industrial building for a total decline of 86 per cent. while public works and utilities show an increase of 63 per cent. for the same period.

Material prices for the whole of Canada have ranged as follows: 1913 representing 100; 1919, 189; 1920, 232; 1921, 198; 1922, 167; 1923, 181 and 1924 to-date 175.

Wage scales with comparative figures for Toronto are:

	1915	1920	1922	1924
Bricklayers and masons	55	90	1.00	1.25
Skilled helpers ..	30	55	45	55
Plasterers	55	90	1.00	1.25
Skilled helpers ..	35	60	65	65
Carpenters	38	85	80	90
Painters	30	60	65	65
Plumbers	65	75	90	—

Thousands of Motorists Toured Through Canada

From Our Own Correspondent.

MONTREAL.—During 1923 no less than 275,000 tourist cars came into Canada, an increase of 100,000 over the previous years figures. By tourists' automobiles is meant only those cars that came into Canada for more than twenty-four hours. In addition, there were no less than 1,600,000 cars admitted for less than twenty-four hours, or double the previous year's figures.

The statistics have been gathered together by the Dominion Bureau of Statistics.

Every province benefited in the trade with the exception of Prince Edward Island. However, Ontario, Quebec, and British Columbia, were by far the most popular provinces.

P. E. I. CATERS TO TOURISTS

CHARLOTTETOWN.—A very extensive programme for the reception and entertainment of tourists to Prince Edward Island, is being planned by a newly organized Provincial Tourist Association. The association is being thoroughly organized with branches in the three counties of the island, and it is expected that the long neglected attractiveness of the garden province of Canada will be brought before the tourist in the most attractive manner during the coming season.

Montreal "Power" New Gas Holder Ready Next Fall

From Our Own Correspondent.

MONTREAL.—This city will have the biggest gas producing plant in Canada, and one of the largest on the continent when the work, at present in progress, of doubling the Lasalle plant of the Montreal Light Heat and Power Company, is completed.

Originally intended to be a plant with a storage capacity of 12,000,000 cubic feet per day, the big plant near the Lachine canal at Ville Lasalle will have a capacity of 24,000,000 cubic feet per day when the work is completed, and when projects now in hand have been carried through will store 40,000,000 cubic feet of gas.

The feature of the present work is the construction of a 6,000,000 cubic feet gas holder.

The work necessitates the construction of an 8,000,000 cubic feet capacity water gas tank, generating plant, etc.

The gas holder will be completed by next September.

WINNIPEG ELECTRIC YEAR'S NET LOWER

Fixed Charges Increased Despite Lower Gross and Net Revenues

From Our Own Correspondent.

MONTREAL.—Earnings figures of Winnipeg Electric for the full twelve month period to March 31 indicate some decline in profits from 1923. Gross earnings were lower by a small amount and expenses showed a slight decrease as well. The complete annual report will be available in due course.

Preliminary earnings figures for the year are as follows:

12 Months Ending March 31st		
Gross earnings ...	$5,406,375	$5,521,721
Op. exp. and taxes	4,023,931	4,098,046
	$1,382,423	$1,423,675
Fixed charges	734,380	707,447
Net div. income ..	$ 648,042	$ 716,228

The March earnings figures showed an even greater rate of decline. They are included in the year's record given above and are here shown separately:

	March 1924.	March 1923
Gross earnings ..	$ 456,634	$ 489,241
Op. exp. and taxes	357,927	353,707
	$ 98,707	$ 135,534
Fixed charges ...	53,004	68,018
Net div. income ..	$ 45,702	$ 67,516

CHINESE SAILORS BECAUSE NO WHITES

Independent Labor Member Kills Propaganda Against B. E. Steel Company

From Our Own Correspondent.

SYDNEY.—New light is thrown on the action of Besco in manning the colliers of the Black Diamond fleet with Chinese deck and stokehold crews, by Arthur R. Richardson, M. P. P. for Cape Breton county.

Mr. Richardson is the same member who some time ago threw a bombshell into the Nova Scotia Communist camp by exposing the machinations by which the Reds themselves conspired to induce the government to send troops into Cape Breton during the steel-coal strike of 1923.

He was elected in 1920 on the Farmer-Labor ticket which swept Cape Breton county at the provincial general election in that year, but left his colleagues when they began to dabble in radical theories and actions, and announced himself as Independent.

Mr. Richardson was for many years a pilot in Sydney harbor, and during the Great War invariably found a safe path for the convoys which sailed almost daily from this port laden with war supplies for the Allies. So he ought to know what he is talking about on the present occasion.

He says that in the first place no seamen or sailors are required for the deck crews of vessels running up the St. Lawrence from Sydney. Such seamanship as is required is amply supplied by the ship's trained officers. The duties of the deck crews between Sydney and Montreal are simply those of laborers afloat. In the engine room it is slightly different, as skilled stokers are needed. In the second place, there are no real Nova Scotia sailors available for this work. They are all engaged in the more profitable fishing or carrying trade between St. Pierre and Nassau.

Mr. Richardson states he is unalterably opposed to the introduction of yellow labor in any form, and says he would welcome any solution that would replace Chinese crews with white labor on the coal boats, but since the subject is now being brought prominently forward, he thinks the public should be advised of the extenuating circumstances under which present conditions have arisen.

May Pipe Gas From Big Producer to Lethbridge

LETHBRIDGE, Alta.—Officials of the Canadian Oil and Refining Co., owners with the Imperial Oil Co., of the gas well in section 29-I-II, on the border which has a flow of 62,000,000 cubic feet every 24 hours, are looking into the commercial value of the discovery, there being a possibility of them leaving the gas well as it is and piping the gas to this city and nearby towns. Tests are also being made to determine the gasoline content of the gas. If the gravity proves high, there is a possibility of the company establishing an extraction plant at Foremost, and selling the gas for domestic purposes. A second well is projected, this one to go below the present enormous gas pressure, the purpose being to thoroughly test the structure for oil. The well is twice the size of any gasser in Canada, and one of the largest in the world.

PUBLIC OPINION SWINGS AGAINST ALBERTA MINERS

Miners Demand Political Agreement Engineered in U.S. Be Accepted

WAGES ARE HIGH

Since 1916 There Have Been Eleven Wage Adjustments —Scale Now More Than Doubled

From Our Own Correspondent.

CALGARY.—The opinion is growing that the coal miners had their innings during the war and that it is now the operators' turn. One fact to arouse considerable interest is that the political situation in the United States has practically forced the present strike on Alberta. The agreement between the U. S. workers and operators which had expired and been renewed, again ran out just as the presidential election loomed on the horizon. The need of peace in one of the major industries of the country was quite apparent, and under pressure the operators accepted the agreement for three more years. Thus it is nothing more or less than a politically engineered agreement made in a foreign country that they are asked to accept, the Alberta operators say.

"We have secured a three-year contract in the United States, we demand it here," is the position taken by the United Mine Workers. Yet the agreement asked by the Alberta miners is not quite the same. It is a little more severe. Miners in the U. S. work a full eight-hour day. In Alberta the eight-hour day includes time getting down and out of the mine and also lunch time.

Alberta operators with union mines realize that they must get their wages down if they are going to meet their competitors. Non-union mines in Alberta are paying from $2 to $3 per day less. The growing use of American steam coal and the development of fuel oil for locomotive use are making inroads on the Alberta coal market. Nova Scotia operators, also under United Mine Workers' jurisdiction, pay wages about the same as the non-union mines in the Alberta field. Mines in Central British Columbia and on Vancouver Island pay $2 to $2.50 less. In the state of Washington reductions had been accepted and contracts signed under the aegis of the United Mine Workers of America.

Here is how the miner has fared in the matter of wage increases since 1916, during which time there were 11 major wage adjustments upward:

	Eight-hour Day	
Operation	1916 wage	1924 wage
Mines	4.50	9.50
Drivers	3.03	7.21
Tracklayers and lumbermen	3.30	7.50
Cutter	3.75	8.02
Laborers	2.75	6.89
Surface hands	10-hr. day	8-hr. day
Blacksmiths and carpenters	3.75	8.14
Engineers	3.40	7.61
Labor	2.47	6.58

Big Demand For Farm Workers in Alberta

From Our Own Correspondent.

CALGARY.—Owing to the bumper crop last year there has been much more demand for farm labor this spring than has ever been known before in Alberta. During the past two months, the Calgary branch of the Government labor bureau has placed 2,162 men on farms in spite of the fact that many more men were employed throughout the winter than hitherto. For the corresponding period last year the farm placements were less than fifty per cent. of the number made this season. The actual number last year was 1,073.

TENDENCIES IN INDUSTRIES AND TRADE CONFLICT

Output Has Been Affected But Fundamentals Sound

NEW YORK.—Conflicting tendencies in industry and trade persist, states the current issue of the Guaranty Survey, published by the Guaranty Trust Company of New York.

Lessened production in some basic industries, a reduced volume of freight movement, the decline of commodity prices, and accentuation of the conservatism which characterizes buying policies have all reacted on business sentiment, the Survey continues. The passage of the bonus bill by the Senate substantially in the form approved by the House increases the likelihood of the enactment of the measure despite a possible veto.

And the continued delay in action on the important matter of tax revision is necessarily a disturbing element in the business situation. The numerous Congressional inquiries have also contributed to the weakening of confidence in the business outlook. A recent compilation shows that eleven Senate committees and five House committees, composed of 50 Senators and 30 Representatives, are engaged in various investigations.

Features of Underlying Strength

It is easy, however, to exaggerate the significance of the recessions in some lines of production and trade. A year ago activity was at an extraordinarily high level, and current records somewhat below those of that period are consistent with the maintenance of generally favorable business. Apart from political uncertainties, the economic features of the business situation indicate the probable continuance of production and trade at close to normal levels. There is no threat of a general depression comparable to that of 1920-21.

President Coolidge's recent address at the annual luncheon of the Associated Press was gratifying in its promise of continued adherence to sane and conservative principles. The president stressed the need of economy in public expenditures, and criticized the "minority groups of one kind or another" which are making "the most determined assaults upon the public treasury." At present, he said, "our country does not need a greater outlay of expense but a greater application of constructive economy."

Referring to the question of tax reduction, he deplored "the failure of a majority of the Congress up to the present time accurately to comprehend and expeditiously to minister to the needs of taxation reform." and pointed out that "the success of the government does not lie in wringing all the revenue it can from the people but in making their burden as light as possible, consistent with the maintenance of the necessary public functions."

Foot and Mouth Disease Helps Alberta Farmers

From Our Own Correspondent.

LETHBRIDGE.—The outbreak of hoof and mouth disease in California has stimulated the demand from the States for Southern Alberta cattle, as high as 2,500 beef steers passing through this city in three weeks for one large packing firm in Seattle and Tacoma. Canadian ranchers are, therefore, thriving on the misfortune of their brother stockmen across the line. Practically all the mutton and lambs finished here have been shipped to Vancouver, where the market is keen due to the stoppage of imports from Washington and Oregon, due to the dread malady in California. Sheepmen are beginnnig to worry over sheep shearers, for it is believed that shearers who have lately worked in California and neighboring states will not be permitted to enter Canada.

GOOD PROGRESS BEING MADE ON WEST'S SEEDING

Little Delay Because of the Unsettled Weather

GREAT DEAL DONE

Southern Alberta is Well on to Completion—Satisfactory Conditions in Central Wheat Belt

By E. CORA HIND,
Commercial Editor, Manitoba Free Press.

WINNIPEG.—In view of the anxiety which has been generally expressed as to seeding being late, owing to irregular weather conditions, the Manitoba Free Press sent out on April 29 fifty-two telegrams to strategic points over the three prairie provinces, asking the condition of the ground for the reception of the seed? the amount of seeding done? when seeding would be general and how conditions compare with the corresponding date of last year?

Practically every point queried was heard from and, speaking broadly, the conditions at the present time are very satisfactory. The queries covered the south, centre and north of each province and it is particularly satisfactory to report that on the great central wheat plains of Portage la Prairie, Indian Head, Regina, Moose Jaw and Swift Current conditions are uniformly good while southern Alberta reports as high as 65 per cent. of the wheat seeding completed at some points. There is ample moisture reported from every district with the exception of the south-eastern section of Alberta where they claim that rain for germination is to be desired. This affects such territory as Foremost, Brooks and Medicine Hat.

Taking the conditions by provinces, Alberta south of the main line of the C.P.R. has a very large amount of wheat seeding done and, with the single exception of the territories referred to, reports moisture conditions very satisfactory and on the whole seeding not more than one week later than last year at the same date, while conditions of the ground for the germination of the seed are more favorable. In central Alberta, covering such territories as Hanna, Youngstown, Coronation and Empress and through that section, conditions are reported as good with an ample store of moisture in the ground from recent snow fall, which has delayed seeding a little, but seeding now general and from 25 to 35 per cent. completed. Northern Alberta is generally well supplied with moisture with seeding about eight to ten days later than in 1923 but with a most excellent condition of seed bed. Saskatchewan, every point queried was heard from and while there is practically little or no wheat up conditions are very satisfactory and many of the districts in the north report seeding as from a week to ten days earlier than last year when it was seriously delayed by wet ground. Seeding was general in nearly every point heard from or would be on May 5. The big central plains, already referred to, report conditions as generally satisfactory and comparing very favorably with last year. One or two districts in the north central Saskatchewan would like a little more rain but there is no lack of moisture reported from anywhere in the province. Saskatoon reports 35 per cent. of the wheat acreage seeded, seeding having been general there on April 21. Saskatoon also reports 10 per cent. of the oats seeded but no wheat up yet. Regina reports that great central plain as at least ten days earlier in seeding than last year and conditions more favorable. In south-western Saskatchewan along the Weyburn-Lethbridge line and further east and south conditions are also reported entirely favorable, Kincaid on the Weyburn-Lethbridge reporting 50 per cent. of the wheat seeded.

Eastern-central Manitoba, which suffered last year from flooding, this year reports conditions good. Northern Manitoba not only reports conditions good but very considerably earlier than last year while southern Manitoba, especially the south-western section, is better supplied with moisture than it has been for some years. Seeding is a little late in this section, that is, late for southern Manitoba, but wheat is reported up at several points and seeding is general throughout the whole of the south section of the province. The outstanding feature of the report is the generally favorable conditions of the soil to receive the seed.

Buyers Have Whiphand in the Metal Markets

Buyers still have the whiphand in the metal markets, and have few, if any, doubts about their ability to secure supplies when they need them, they continue to order only for immediate requirements, according to Canadian Machinery.

As comparatively few manufacturers have any considerable amount of back-log business, there is a keen desire for orders, and competition is producing cut prices.

Pig iron held to the new low level through the week. No. 1 foundry and malleable iron selling at $27.15 at Toronto, in gross ton lots, and at $28.95 at Montreal. Dealers are of the belief that equally as much business would have developed had the concession not been made.

The Consolidated Mining and Smelting Company reports ore receipts at Trail Smelter, for the period of April 22 to April 30, amounting to 8,860 tons, and for the year to date 157,795 tons.

Market for Canadian Cattle in Japan

EDMONTON.—A firm of Japanese livestock dealers, headed by a wealthy Japanese of considerable prominence in Yokohama, known as the Japanese Butchers' Association, is already preparing to handle livestock shipments into Japan on a large scale. If the shipment of livestock just made from Alberta reaches Japan in good condition and if a satisfactory freight rate on cattle can be arranged, it will be Canadian cattle, chiefly Alberta cattle, that this big firm will handle.

The firm is now engaged in the erection of livestock yards and corrals at Yokohama capable of handling at least 200 head of cattle each month. The fact of the matter is that Japanese are beginning to eat more meat, and this fact has led the Japanese firm to the action it is now taking.

BEATTY WANTS FAIR TREATMENT FOR C.P.R.

Does Not Think National Lines Should be on a Different Footing

From Our Own Correspondent.

MONTREAL.—President Beatty of the C. P. R. put on no gloves when he came out with a demand for equal treatment of the C. P. R. and the Canadian National lines in legislation on railway matters. His statement on this point to the shareholders at the annual meeting of the company this week was a direct challenge to the Dominion government to remove conditions that the C. P. R. considers objectional and discriminatory.

One of the C. P. R. objections is to the power given the National Railways to construct branch lines without approval as to location and other details by the Railway Commission. This legislation permits the National Lines to parallel and duplicate existing lines. All that is required is the approval of the minister of railways and the authorization by parliament of the necessary expenditure. It was Mr. Beatty's opinion that the Canadian National Railways should be brought under the provisions of the Railway Act.

Mr. Beatty also reiterated former protests against the Crow's Nest Pass agreement. He said:

"The other feature of our present legislation which involves discrimination is due to the Crow's Nest Pass Agreement of 1897 and the re-establishment in part of the rates there provided and the possibility of the remaining commodity rates being put in effect in July of this year. The existence of special statutory rates made under conditions which do not now pertain and which have no relation to present day costs and operating conditions and involving, too, disparities in rates which under the general railway act would not be permitted because of their unfairness in relation to commodity rates on other articles and to the rates effective in other parts of Canada should obviously not be permitted. I have always strongly felt that the greatest advantage to shippers as a whole and also to the transportation companies would be secured if the purpose of the general railway act were given effect to all rates made subject to review and change as conditions warrant by the tribunal constituted for that purpose."

The C. P. R. head took the opportunity to drive home the point that the C. P. R. is as much a national institution as the Canadian National lines. Said Mr. Beatty:

"This company's undertaking was a national enterprise in conception, execution and operation, and that the direct and indirect contribution which it has and is making to the country's prosperity is substantial. The two systems differ in name only and in the accident of the personnel of their shareholders. So far as their security holders are concerned, the positions are identical in that hundreds of millions of the securities of both systems are owned by private investors throughout the world. There is a steady increase in the extent of both Canadian and British holdings of the company's common stock, which is not without significance."

REPEAT ALL-WATER SHIPMENT TO COAST

Kirkwood Line's Success in First Venture Pleased Many Shippers

The success of the first all-water shipment to Vancouver from Hamilton and Toronto by the Kirkwood Line steamer, J. H. Plummer, has resulted in plans for the sending of a second cargo. The Canadian Logger, formerly of the Canadian Merchant Marine, now "Torhamvan," a 4,000-ton steel steamer with a name made up of the names of the three ports of call, will start from Hamilton May 28 and leave Toronto June 5 on the 8,000-mile trip to Vancouver. The claim is made that the first shipment proved so satisfactory with costs much lower—as much as 50 per cent. in some cases—that the second shipment is justified. The first cargo was valued at $1,500,000 and it is stated that claims due to loading and unloading, pilfering and short delivery was only $156. It is understood that the vessel will bring back a cargo of canned salmon, furs and timber.

Shipping companies claim that the establishment of a Canadian Customs officer at New York will not deter them as they say they can quote cheaper rates for the complete trip than can be secured on the partial rail and water route. The wharf and transfer charges at New York are high.

ALBERTA'S POPULATION

EDMONTON.—According to the basis on which Alberta is now receiving subsidy from the federal government, the population of the province is estimated to be 645,000. The 1921 census gave the population as 588,000.

Short Selling of Stocks on Trial

By PRESTON S. KRECKER,
In Commerce and Finance.

For the first time in the history of the New York Stock Exchange, the governors of that institution are considering the advisability of curtailing the privilege of selling stocks "short." The question has been brought before them in the form of a strong protest from the West against the practice inspired by the severe decline in the prices of stocks during the last two months which has resulted in depreciating the value of securities many millions of dollars. Folks are less hide bound by tradition beyond the Alleghenies than they are in the East. They believe that stocks would not have declined as severely as they did had not short sellers had free rein in the stock market and they do not hesitate to say so in such forcible language that even the conservative stock exchange is heeding them.

This is not the first time that short selling has been put on trial. The ethics of the practice of selling what one does not possess with the hope of gain has been a perennial bone of contention wherever speculative markets are maintained. The question has been aired from the academic and the practical points of view. It has been the cause of restrictive legislation. The practice even has been prohibited by law in some countries. What makes the present inquiry into short selling unique is the fact that it is being done by the stock exchange itself, an institution which hitherto has been one of the stoutest champions of short selling and most insistent that it be as free and unrestricted as buying and real selling.

The issue before the stock exchange is not whether short selling should be abolished. Sentiment on that point is as unanimous among stock brokers as it ever has been. They firmly believe in short selling as an economic benefit to any speculative market. They are examining the question from a different angle. The point they are weighing is whether it would be for the best interests of the exchange to restrict short sellers.

In point of numbers short sellers of stocks are a small minority of the total number of persons interested in the stock market. About 90 per cent. of the customers of commission houses are buyers, not sellers, of stocks. They buy either for investment or for speculative profit. They rarely sell unless they either have a good profit or a substantial loss. The short seller as a rule is a professional speculator. What the short seller lacks in point of numbers, however, he makes up for in concentration of resources and speculative skill.

As contrasted with that concentration of skill and resources the public holder of stocks, although numbering hundreds of thousands in the aggregate, is widely scattered all over the country. He lacks organization and co-operation and knowledge of the speculative game.

The indictment against short sellers as presented in the current complaint is briefly as follows: A few powerful highly skilled and wealthy operators co-operating have thrown huge blocks of stocks on the market at a time when, owing to prevailing doubt and hesitation in business, it was least prepared to absorb them. The widely scattered and unorganized owners of stocks were utterly unable to cope with such a concerted attack.

As a result they were forced to look on helplessly while values of their investments were ruthlessly slaughtered. Not a few of those carrying speculative accounts on margin were compelled to liquidate at heavy loss because they were unable to hold their stocks in face of the severe depreciation in their value.

A strong reaction against a system whereby such methods are made possible has set in. It is not restricted to the so-called public. It is to be found among brokers themselves. In fact, it was on the initiative of certain influential members of the stock exchange that the matter was brought to the attention of the governors.

Brokers, particularly some connected with the big commission houses, are beginning to see the light. It is the large brokerage concerns which are the principal lenders of stocks sold "short." As already said, about 90 per cent. of their customers are "long" of stocks. On the other hand the stocks which a handful of powerful professional speculators sell with such abandon and resultant havoc to prices are the very shares which the general public has purchased on margin and is carrying in the hope of reaping a speculative profit through an advance in prices.

Some of the more thoughtful members of the stock exchange are soberly asking themselves the question whether it is to the best interest of their own business to lend stocks in that manner in unlimited quantities to operators who immediately turn around and throw those stocks on the market for the purpose of breaking prices. They wonder whether it would not be to the advantage of the public as well as of themselves if the stock exchange should curtail the short selling privilege. If such a thing should be done it would be done through the medium of hedging loans of stocks about with regulations which doubtless would be designed to prevent concentration of stock loans in the hands of a very few resourceful and organized operators.

The possibility that if the stock exchange does not do something of that kind of its own volition, regulation and restriction will be forced upon it by the government just as it already has been forced upon the Chicago Board of Trade by Federal law, has suggested itself to some brokers. As an outcome of government regulation of the selling privilege on the board of trade, business in wheat futures has fallen off tremendously. The grain market has shrunk to a mere shadow of its former great self because speculation in wheat has been severely curtailed. The plungers who in past years made it a practice to trade in millions of bushels, usually on the short side, now restrict their operations to a few hundred thousand bushels. The volume of trading has been so curtailed as a result that the market is described as "dead." Brokers in the wheat future business are thoroughly discouraged and almost ready to quit, if recent Chicago advices are to be believed.

Despite the effect of the restriction of selling operations on the wheat market a bill has been introduced in Congress to abolish short selling on the New York and New Orleans cotton exchanges.

Prohibition of short selling, frequently suggested by critics of the stock exchange, was tried by Germany before the war and proved a complete economic failure. So strong was the revulsion against the law that it subsequently was repealed by the German government. The economic advantages of short selling have been proclaimed by economists and demonstrated by experience. The short seller by his incessant activities as alternately a seller and a buyer of stocks helps to keep a speculative market liquid. The disadvantage of sluggish markets is frequently exemplified in the case of so-called inactive stocks. Prices of such stocks are subject to wide fluctuations on small transactions. In case of forced liquidation the owner of them usually must sell much below nominal quotations.

Another advantage of short selling as attested by brokers is that the short seller must at some time or other buy back what he has sold. An old Wall Street saw reads: "He who sells what isn't his'n must buy it back or go to prison." It often happens that repurchases of stocks sold short are the first signal for good rallies in prices.

Should the New York Stock Exchange decide to restrict short selling it would be necessary to change the constitution. Whether a sufficient number of members could be marshalled on the side of such a change is doubted. However, it is deemed significant of a tendency to depart from old traditions that the proposal at last is receiving consideration.

McLaughlin Looks to Retain British Market

OSHAWA.—Though the General Motors plants in Oshawa, have been very busy all winter and shipments have been heavy each month, it was left to April to set up a new record; 4,755 cars of all models were shipped from the local factories and these figures represent the biggest shipments for a single month since the first automobile was built in Oshawa.

Continued heavy production is anticipated. President R. S. McLaughlin does not regard as final the reports that the McKenna duties are to be abolished by the British parliament and that export market lost to Canadian automobile manufacturers. His opinion is that the British motor industry will bring strong pressure to bear against a course which would be detrimental to manufacturers there and directly affect employment of labor.

Says Scott Nearing Has Been Discredited in United States

Editor, THE FINANCIAL POST,

Sir:—Noting in your issue of April 25th a quotation of Scott Nearing that the U. S. should conquer Canada so as to control it, everyone should commend your statement about "something about Professor Nearing." If it should happen that there is anyone in Canada who does not know how utterly discredited Prof. Nearing is in his own country—the United States—I need only mention that he was expelled from the college where he was a "professor."

I think I know American sentiment fairly well, with which every informed Canadian will agree, that 99.9 per cent. of all Americans have only the most friendly, brotherly feeling for Canada as a nation, and entertain only the friendliest sentiments for our neighbor in the north, and nobody in this country except possibly half of 1 per cent. of scatter-brains thinks of our Canadian neighbors other than as cousins, with whom indeed we in common present an example to the world of what good neighborly relations can be where on the longest frontier in the world we have not one gun, nor the wish for one.

It is inconceivable that any United States citizen of even moderate intelligence should advocate that anything but the friendliest sentiment should prevail between the two nations as neighbors and friends. Fools we must have with us always, but sensible men and women are not influenced by such.

While writing you may I compliment you on the stand you take that what Canada needs is selective immigration. There are many splendid people in Europe, especially among the three million of the best of Russians—refugees who have fled from the Bolshevists who through the stupidity of the Bolsheviks are denied the opportunity of reconstructing Russia. The nations of Europe are profiting by these refugees, and a great opportunity lies at Canada's door, giving an opportunity to these worthy people to promote the growth of Canada.

Faithfully yours—R.J.C.

New York, May 6.

PROVINCE OF QUEBEC CITY OF THREE RIVERS

PUBLIC NOTICE IS HEREBY GIVEN that the Council of the City of Three Rivers will receive until the twenty-sixth day of May, 1924, at four o'clock p.m., at the office of the undersigned, written sealed tenders, endorsed "Tenders for City of Three Rivers Bonds," for the purchase of said City of Three Rivers Bonds, amounting to THREE HUNDRED AND NINETY THOUSAND DOLLARS ($390,000.00), issued for various purposes, under several by-laws, duly approved according to law, viz.:

A. By-Law No. 451—$335,000.00, dated May 1st, 1924, payable in a series of thirty (30) years, bearing interest at the rate of 5½% per annum, payable semi-annually, on the 1st day of May and November in each year;

B. By-Law No. 452—$55,000.00, dated May 1st, 1924, payable in a series of twenty (20) years, bearing interest at the rate of 5½% per annum, payable semi-annually, on the 1st day of May and November in each year.

Both the principal of those debentures and the interest thereon are payable at the holder's option, at the chief office of the Bank of Hochelaga, in the City of Montreal, or at any of the branches of the said Bank of Hochelaga in the City of Three Rivers, or in the City of Montreal, or in the City of Quebec. These bonds shall be issued in denomination of $100.00 or multiples of $100.00. The said tenders will be considered at the meeting of the Council of the City of Three Rivers, the 26th May, 1924, at eight o'clock p.m., or so soon thereafter as the Council or one of its Committees can do so. Every tender must be accompanied by a certified cheque equal to one per cent. of the par value of the issues. After the opening of the tenders, the cheques deposited by the tenderers whose offers are not accepted shall be handed back to them without delay, that of the tenderer whose offer is accepted shall be handed back to him after the execution of his contract, without interest. Every tender shall specify whether the price offered does or does not include the interest accrued on the debentures at the time of their delivery. The City of Three Rivers does not bind itself to accept any of the tenders.

Particulars of the issues and the table of maturity of debentures may be secured on application to the undersigned.

The Treasurer of the City of Three Rivers,
ARTHUR NOBERT.

Three Rivers, this seventh day of May, 1924.

WIPE OUT COMMON STOCK DOMINION ENGINEERING CO.

Reorganization to be Effected—To Put More Money in

From Our Own Correspondent.

MONTREAL. — Requiring new working capital, Dominion Engineering Works plans a thorough re-organization which will have the effect of wiping out its common stock, and reducing its preferred stock to the status of common. Shareholders are now being notified by the directors of the proposed plan.

Dominion Engineering is a subsidiary of Dominion Bridge and has been engaged in the manufacture of water power machinery and pulp and paper machinery, and has been successful in landing many large orders in both fields. It has suffered, however, from over-capitalization.

After the re-organization shareholders will be asked to put $400,000 of additional working capital. The company is capitalized at $10,000,000, consisting of $5,000,000 preferred stock and $5,000,000 common of which $4,000,000 preferred and $4,000,000 common have been issued. The $4,000,000 common stock of the existing company, of which more than $2,000,000 is owned by the Dominion Bridge Company, is completely eliminated under the re-organization.

The company acquired the rights to the Canadian patents of the William Cramp & Sons Ship and Engine Building Company of Philadelphia, and has in its short period of existence manufactured a large amount of paper-making machinery and hydraulic machinery. Orders have averaged in excess of $2,000,000 per annum.

What Re-organization Involves

To meet the increasing requirements of the business, the plant has been improved and extended and new equipment has been installed at an expenditure of approximately $1,500,000. This had to be paid out of the company's liquid resources and in consequence has absorbed almost its entire cash working capital. In order to provide additional working capital, the reorganization of the company has been recommended after the directors had given the question serious consideration. The form of reorganization recommended is stated in the circular letter as follows:

"To form a new company of the same name with an authorized capital of $2,500,000, consisting of 25,000 common shares of the par value of $100 each. The present company to sell out its undertaking as a going concern to such new company for the consideration of $2,000,000, payable by the issue and allotment of 20,000 fully-paid and non-assessable common shares of the par value of $100 each. The new company to assume all contracts and obligations of every kind of the present company exclusive of liability to its shareholders. The present company would then be wound up and 20,000 shares ($2,000,000) constituting the purchase price of its undertaking will be distributed to its preferred shareholders on the basis of one common share of the new company for each two preferred shares of the present company held by them. The new company will undertake not to create any shares ranking in priority to its common shares unless previously authorized by a vote of the holders of three-fourths of the then outstanding common shares. To provide additional working capital, the new company will offer to its shareholders rateable 4,000 common shares ($400,000) at par on the basis of one share for each five held by them in the capital stock of the new company."

Canadian Pacific Change of Time

Effective Sunday, May 18th, important change in train schedules will be made. For full particulars apply any Canadian Pacific agent or District passenger agent, Toronto, Ont.

City of Prince Albert Saskatchewan

THE City of Prince Albert hereby calls for applications to fill the joint and combined positions of City Clerk, City Treasurer and Chief Accountant.

Qualifications, experience and salary to be stated in applications, which must be received by the undersigned by May 20th next. Duties to commence not later than August 1st next.

G. H. CARR,
Acting City Clerk.

Tenders for Debentures

Tenders will be received by the undersigned up to noon Saturday, May 10th, next, for the following Town of Orillia debenture issues:

Parcel No. 1—$12,000, purchase of Fire Truck, ten years, payable instalment, principal and interest $1,592.01, interest 5½% half-yearly, coupons attached, payable Orillia or Toronto.

Parcel No. 2—$50,000, loan to Canada Wood Specialty Co., twenty years instalments, principal and interest $4,183.96, interest 5½% half-yearly, coupons attached, payable Orillia or Toronto.

Separate tenders required for each parcel. No tender necessarily accepted. Tenders to be marked "Tenders for Debentures" and addressed to

C. E. GRANT,
Treasurer, Town of Orillia.

TOWN OF BRAMPTON
TENDERS

TENDERS will be received by the undersigned, Town Clerk, up to six p.m., Friday, May 16th, 1924, upon an issue of $6,190.06, Brampton Debentures, 5½%, ten years, equal annual payments, principal and interest. This issue is to pay for the construction of concrete sidewalks in the Town of Brampton; also upon an issue of $4,260.72, 5½%, twenty years, equal annual payments, principal and interest, to pay for the construction of sanitary sewers constructed in the Town of Brampton; also an issue of $5,000.00, 5½%, ten years. The purpose of this issue is to make a grant to the Peel Memorial Hospital Association; equal annual payments, principal and interest. The highest nor any tender not necessarily accepted.

C. M. CORKETT, Clerk,
Town of Brampton.

THE CANADIAN BANK OF COMMERCE

Dividend No. 149

NOTICE IS HEREBY GIVEN that a dividend of Three per cent. upon the capital stock of this Bank has been declared for the quarter ending 31st May, 1924, and that the same will be payable at the Bank and its Branches on and after Monday, 2nd June next.

The Transfer Books of the Bank will be closed from the 17th May to 31st May next, both days inclusive.

By Order of the Board,
JOHN AIRD,
General Manager.

Toronto, 11th April, 1924.

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND of THREE per cent., upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after Monday, the SECOND day of JUNE next, to Shareholders of record of 30th Apr'l, 1924.

By order of the Board.
FREDERICK WILLIAMS-TAYLOR,
General Manager.

Montreal, 25th April, 1924.

The Royal Bank of Canada

DIVIDEND No. 147

NOTICE IS HEREBY GIVEN that a DIVIDEND OF THREE PER CENT. (being at the rate of twelve per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, and will be payable at the bank and its branches on and after Monday, the second day of June next, to shareholders of record at the close of business on the 15th day of May.

By order of the Board.
C. E. NEILL,
General Manager.

Montreal, Que., April 15, 1924.